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THE CRISIS OF THE NATIONAL STATE

By W. Friedmann

WORLD REVOLUTION AND THE FUTURE OF THE WEST
Thinker's Library (Watts & Co.), 1942

THE CRISIS
of the
NATIONAL STATE

BY

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LONDON
MACMILLAN & CO. LTD

1943

TO MY WIFE

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PREFACE

I WISH to express my gratitude to Professor G. W. Keeton and to Mr. A. Radomysler, for reading parts of the manuscript, and for their constructive criticisms. I deeply appreciate the assistance and encouragement which Professor H. J. Laski has given me in proceeding with this study.

The manuscript was completed in February 1943. Subsequent events and publications have, as far as possible, been referred to, up to the beginning of June 1943.

W. F.

UNIVERSITY COLLEGE
LONDON, *June 1943*

CONTENTS

	PAGE
INTRODUCTION	I

PART I: THE RISE OF THE NATIONAL STATE

CHAPTER I

POLITICAL BACKGROUND	3
The Twin Forces of Nationalism and State Power — State Power — Nationalism — The State as the Ordering Factor — Nationalism and State Power in Modern German History	

CHAPTER II

ECONOMIC BACKGROUND	10
Mercantilism and <i>Laissez-faire</i> — Relations between State Power, Economic Interests and Law in the principal European States	

CHAPTER III

SOCIAL PILLARS OF THE NATIONAL STATE	19
The Middle Classes and the National State — Tudor Nationalism — Developments in Britain, France and U.S.A. — The Younger National States	

CHAPTER IV

SOVEREIGNTY OF THE NATIONAL STATE	32
Legal, Political, Economic, Social Aspects	

PART II: THE DECLINE OF THE NATIONAL STATE

CHAPTER I

THE CONFLICT BETWEEN NATIONAL SELF-DETERMINATION AND THE STRONG STATE	36
The Peace Settlements of 1919 — Position of small and big States	

CHAPTER II

THE CONFLICT BETWEEN NATIONALISM AND IMPERIALISM	43
The Expansion of National States towards Imperial States — The Anti-National Character of Fascism — The Emergence of National Movements	

CHAPTER III		PAGE
MARXISM, THE NATIONAL STATE AND THE WORKING CLASS		60
Marxist Hostility to the National State — The Strengthening of Labour Nationalism — The New Internationalism of the Working Classes		

CHAPTER IV		
THE DEFECTION OF THE MIDDLE CLASSES FROM THE NATIONAL STATE		71
The Military Class — The Bureaucracy — The Intellectuals — The Black-coated Proletariat — The Peasant Class		

CHAPTER V		
ECONOMIC CONDITIONS AND THE NATIONAL STATE		86
Preliminary Observations — The Interaction of Political Authority and Economic Forces — International Economic Interests and the National State — Capitalist Imperialism and the National State — Economic Interests under the New Imperialism — Vested Interests and War — Economic Independence and Interdependence — Conclusions as to Relations of Economic Classes and National State.		

CHAPTER VI		
CURRENT INTERNATIONAL IDEOLOGIES		114
The Fascist International — The Idea of Collective Security — Federation and National Sovereignty		

CHAPTER VII		
CURRENT INTERNATIONAL IDEOLOGIES (<i>contd.</i>)		125
The Multi-National State — The Rights of Man — The Commonwealth Ideal — <i>Grossraumordnung</i>		

CHAPTER VIII		
PATRIOTISM		152
The Revival of Patriotism in the Subjugated Countries — The Destruction of Patriotism by Fascist Imperialism — The Retarding Influence of Patriotism		

PART III: SUMMARY AND CONCLUSIONS

CHAPTER I		
SUMMARY		163

CHAPTER II		PAGE
THE NEED FOR A READJUSTMENT OF VALUES		167
Choice between Alternative Ideals — Patriotism in a Changing World		

CHAPTER III		
INTERNATIONAL AUTHORITY AND DIVERSITY OF NATIONAL		
GOVERNMENT		172

CHAPTER IV		
A BLEND OF REALISM AND IDEALISM		183
The Potentialities of the Great Alliance — Regional Associations		

POSTSCRIPT		190
INDEX		193

INTRODUCTION

TODAY the national State appears to be at the height of its power. In the name of an exalted and savage nationalism, the Fascist States have launched their disciplined peoples upon conquest. In the name of national independence, the attacked, oppressed and subjugated nations defend their liberty. All over the world the power and authority of the State has risen to undreamed heights. The twin forces of State power and national unity seem to propel the peoples in their titanic struggle.

Recent observers — Mr. Willkie, for example, in his recent world tour — have been struck by the strength of Nationalism in the countries of the Middle and Far East, which struggle for independence.

Such tendencies are countered, however, by developments of deep and inescapable significance: the chaos that has resulted from national sovereignty, in political, military and economic matters; the internationalisation of economic interests; modern transport developments; the super-national conceptions of all modern political movements, fascist or anti-fascist, imperialistic or humanitarian. All these developments reveal the insufficiency of the national State and point beyond it. In the revolution of values and conditions, from which no institution of society is immune, the future of the national State presents one of the most important problems.

It is the object of this book to analyse the vital factors in the crisis of the national State and to clarify the alternatives, as a small contribution to the solution of the political problems which face the post-war world and, even now, the nations at war.

The essential purpose of this book is not a plea for Internationalism against Nationalism (whatever that may mean), or for any particular political ideology. Its main purpose is a cool analysis of the forces which, from different directions and with different objects, have undermined the national State.

Complete impartiality and objectivity in the analysis of anything within the realm of the social sciences is difficult if not impossible to attain. But a distinction between scientific analysis

and value judgments, as taught by Max Weber, seems to me the first condition of any study in this field.

The basic assumption made in this book is the relativity of the national State, as an institution shaped by certain ideological, social, economic, political factors, replacing other human institutions, and itself no more immune from the impact of changing conditions than they. This implies the rejection of Hegelian metaphysics, of the elevation of the national State to an absolute, as the final embodiment of the World Spirit. It implies no less the refusal to attribute such absolute and eternal character to any international institutions which the needs of our time may develop.

An analysis can narrow down the choice between constructive alternatives. It will make some solutions appear as hopeless, others as possible. But no analysis can replace the ultimate choice between alternatives which is a decision between conflicting values. It can, however, clear the way and prepare such decisions.

This study makes no attempt to establish either monopoly or hierarchy in the respective weight of ideological, economic, social or other history-making factors. They are all accepted as making up, though with varying strength and emphasis, the complex pattern of human history. An attempt to study the evolution of the national State as dispassionately as possible can be content to find a complexity of forces, all real and important, without any one being absolutely prior in time, logic or importance. To adopt the formulation of a distinguished economist :¹

Here, as in the investigation of the motivation of particular actions, our concern is not to establish an ultimate sociological monism, but to attempt to indicate the existence and the relative weight of influences which, on the level of inquiry which we chose may be taken as ultimate data. In the final analysis, nothing is assumed to be ultimate. It is merely a question at what point it is convenient to break off.

Why a particular ideology, religious movement, industrial invention arises and succeeds at a particular moment is a theological or metaphysical question which it is not the object of this study to pursue.

PART I

THE RISE OF THE NATIONAL STATE

CHAPTER I

POLITICAL BACKGROUND

THE TWIN FORCES OF NATIONALISM AND STATE POWER

It is common to refer to the national State as a homogeneous force and institution in which the national and the State element blend. A distinguished English student of political theory¹ has recently maintained that "in these days of national States, we may identify Nation and State", though he adds the qualification that the Nation may often struggle against the State. But in such cases, Dr. Barker asserts, the effort is directed to achieving identity between Nation and State.

Such broad identification of Nation and State is, however, an over simplification which only for comparatively short periods accurately reflects the relation between these two powerful forces of modern political life.² Though we may accept, for working purposes, the definition by Vinogradoff of the State as "a juridically organised nation or a nation organised for action under legal rules", it is essential, not only for purposes of a scientific analysis, but for an understanding of the crisis, to disentangle the forces of Nationalism and State Power which make up the national State.

As with most aspects of human history, brief periods of harmony stand between long periods of tension and conflict. "The State becomes or seeks to become, the body of nationality; and from this perilous but inevitable incarnation a new order of conflict and adjustment springs."³ To some optimistic observers of nineteenth-century developments it might have seemed that nationalism and the modern State had finally combined to form a society of nations living peacefully side by side. But whatever illusions the uneasy balance of power of the nineteenth century

¹ E. Barker, *Reflections on Government*, p. 8.

² Cf. E. H. Carr, *Conditions of Peace*, p. 38 et seq.

³ MacIver, *The Modern State*, p. 133.

may have left, the twentieth century has witnessed in the Peace Treaties of 1919 an heroic failure to solve the political problem of Europe by a settlement based on sovereign States formed according to principles of national self-determination. The causes of this failure have been thus characterised by a leading authority on the minority problem : ¹

All new States . . . were more or less consciously the national states of the single nation which forms the majority of their population. . . .

But the facts were against them. Not one of these States was, in fact, uni-national, just as there was not, on the other hand, one nation all of whose members lived in a single State.²

The tension between the forces of Nationalism and State Power has, in fact, invariably been resolved by the preponderance of one over the other, a preponderance which sometimes produced a durable solution but often prepared the way for a strong reaction. There is not a single modern State which has not, at one time or another, forced a recalcitrant national group to live under its authority. Scots, Bretons, Catalans, Germans, Poles, Czechs, Finns, all have, at some time or another, been compelled to accept the authority of a more powerful State whether they liked it or not. Often, as in Great Britain or France, force eventually led to cooperation and a coordination of State authority and national cohesion. But in many cases, such as those of Germany, Poland, Italy and a host of Central European and Balkan countries, the forces of Nationalism did not rest until they had thrown off the shackles of State power and formed a State of their own, which, in its turn, would coerce other nationalities under its power.

Our first task, therefore, is to assess the relative origin and strength of these two forces and the conditions under which they can exist together.

STATE POWER

There is no doubt that the modern State is prior in time to the national movement. Long before the stirrings of Nationalism, the foundations of the modern State were laid. For it arose from

¹ Macartney, *National States and National Minorities*, pp. 209-10.

² On the dilemma of national self-determination see below, Pt. II., ch. i.

the need for effective and centralised government. Only in modern times has this bare and sober function of the State as a technique of government, as a "method of organising the public power of coercion",¹ been overshadowed and modified by an ideology of the State which is, on one hand, due to its fusion with nationalist aspirations, and, on the other hand, to the need felt by those in control of the State to give an idealistic flavour to the exercise of power. Frederick II Hohenstaufen experimented with some of the foundations of the modern State, a body of permanent officials and a system of taxation, in Sicily. The Norman Kings laid the foundations of the modern State in England entirely with the purpose of creating an effective machinery of centralised government, with a system of centralised administration, of justice and taxation, efficient enough to keep down an originally hostile population; the history of any of the earlier European States shows similar developments. The formation of standing armies of mercenaries still does not produce any deflexion from this clear and simple purpose of effective government of a society which had lost its theocratic and feudal foundations.

NATIONALISM

It is only with the rise of modern Nationalism that the complex problem of the national State arises. Very gradually, and with increasing momentum, Nationalism has become an articulate force. But as a political institution it has never been capable of any clear or unequivocal definition. There is infinite variety in the emphasis given to one or the other of its elements, largely dependent upon the outlook of a particular author; but on the variety of factors which go to make a nation, there is broad agreement.² Unity of race, of language, of territory, of religion, of government, of economic interests, last not least, "the possession of a common tradition, a memory of sufferings endured and victories won in common, expressed in song and legend, in the dear names of great personalities . . . in the

¹ Laski, *The State in Theory and Practice*, p. 27.

² For some recent definitions see *Nationalism* (Royal Institute of International Affairs, XX); Barker, *loc. cit.* p. 1; see also the concise discussion in "Muir", *Nationalism and Internationalism*. Further, Schwarzenberger, *Power Politics*, Pt. I, ch. iii; *Nationalism*, ch. xiv.

name also of sacred places wherein the national memory is enshrined ' . . . ' in some combination make a nation. But none of these elements can claim monopoly or even prevalence. There is not one modern nation based on unity of race, least of all such strongholds of modern Nationalism as Germany or Italy which contain very distinct racial components. Unity of religion may have largely formed the national character of the Scots, or, perhaps, the Spaniards, but the great religious split between Protestants and Catholics has entirely failed to prevent national unification in Germany. Unity of economic interest has more often than not been neglected in favour of more irrational factors. The history of the new nations of the Peace Treaties of 1919 presents an almost unbroken record of Nationalism cutting right across economic ties, whether between raw materials and manufacture (Germany and Poland), produce and markets (Balkan countries), industry and agriculture.

Unity of language is, by common consent, one of the strongest factors in national unity. It has been extolled by that ecstatic apostle of German Nationalism, Johann Gottlieb Fichte, and undoubtedly the link of a common language is a particularly strong one, because it unites the common people in their daily life and experience. But it certainly cannot claim the key position either. Switzerland is the model of a national State which has held together for many centuries, despite the existence of three linguistic groups, German, French and Italian. On a vaster scale, a multi-national State like Soviet Russia has exhibited all the strength of national cohesion, despite the existence of hundreds of different languages, stimulated by educational and cultural facilities. On the other hand, unity of language has not prevented the separation of the American colonies from England and a political tension which has only recently been overcome.

There remain two factors, entirely different, yet equally potent in the history of Nationalism. Community of history, tradition and culture is very difficult to define in precise terms. But its power is immense. The emphasis may be on past victories, on past emergencies ; it may centre round national heroes, generals, poets, musicians ; it may centre round political or social ideals. Napoleon, Shakespeare, Kutusov, Dostoevski,

¹ Muir, *loc. cit.* p. 48.

the French Revolution, the Dutch wars of liberation, Jan Hus, the battle of Sedan, the American Declaration of Independence, the Bill of Rights or Lincoln's Gettysburg speech, all these, singly or interwoven, form a bondage the strength of which comes out with particular clarity in times of emergency, when national existence is threatened. Together they form the national heritage, but the emphasis varies. One nation at one period may glory in past military achievements, another in the struggle for political liberty. It would be futile to attempt a classification of motives and psychological factors the very strength of which may rest in their elusiveness. The classical definition of Renan has lost nothing of its truth :

A nation is a soul, a spiritual principle. Two things which are really only one, go to make up this soul or spiritual principle. . . . The one is the possession in common of a rich heritage of memories. And the other is actual agreement, desire to live together, and the will to continue to make the most of the joint inheritance. The existence of a nation is a daily plebiscite, just as that of the individual is a continual affirmation of life.¹

THE STATE AS THE ORDERING FACTOR

Unity of government, on the other hand, is as definite a factor as unity of culture and tradition is indefinite. Devoid of the shaping and regulating force of State government, Nationalism is a powerful, but not a politically powerful force. The multitude of factors which go towards the formation of a national group receives shape and direction by State government. "The State is always a defining and limiting power."² This makes the strength of the "National State". But the relation between the national and the State element varies greatly. It is necessary to distinguish between the older and the younger national States. In those States where centralised government preceded national movements, the influence of unity of government upon the unification of large groups of people has been the predominant factor. The Norman Conquerors and subsequent dynasties have welded Normans, Anglo-Saxons, Celts, Scots and Welsh into a unity to which Nationalism has, much later, added a new but

¹ Renan, *What is a Nation?*, pp. 80-81, trans. from *Qu'est-ce qu'une nation?*, 1882.

² MacIver, *The Modern State*, p. 125.

not a decisive element. Similar considerations apply to France and any of the States effectively established before the eighteenth century. In those countries the machinery of the State, handled by a small body of rulers, has been the main formative influence. Accordingly political theory, in the formative period of these countries, is entirely concerned with justifying the power of the sovereign. In France, Bodin developed a theory of identification of the State with the prince who exercised the power of government which "served to supply a justification as well as an explanation of the possession of irresistible force by those who seemed marked out by their predominance to be the appropriate agents for the securing of the common weal".¹ In England, Hobbes based a similar identification of State and ruler upon a theory of Social Contract which knew nothing of a *pactum unionis* between the members of the political society, but only a *pactum subiectionis*, transferring absolute power to the ruler. Nationalism, in those countries, has sometimes worked against the unity of government, though not, on the whole, with decisive effect. But the nationalist movements in Scotland and Wales tend to work against the strong unity created by centralised State government.

It is very different where Nationalism was the ferment that eventually produced a national State. Here the intertwining of nationalist and State ideology is much more complex.

NATIONALISM AND STATE POWER IN MODERN GERMAN HISTORY

The development of modern Germany gives a classical illustration of this twin growth of Nationalism and State Power. The earlier emphasis on *Kulturnation*, still dominant in Humboldt's writings, soon gave way to the political aspirations of *Staatsnation*; at first these were inspired by the liberal and humanitarian ideals of Herder; then they were tainted by the romantic mysticism of Novalis; they turned to an increasingly militant aggressiveness with the work of Fichte, Hegel and Treitschke, State glorification and arrogant Nationalism stimulating each other in an increasingly dangerous race. When the

¹ Jones, *Historical Introduction to the Theory of Law*, p. 85.

ground was prepared, the cool and rational statesman Bismarck used the combination of widespread nationalist consciousness and a disciplined obedience to authority to build the Second Reich.¹

The way in which the Third Reich of National Socialism, through its very exultation of State and Nationalism, leads to the destruction of the German national State, will be analysed below.

The national State is thus an institution which has gained its strength and importance from the combination of two forces neither identical nor necessarily parallel or allied : the machinery of the highly organised modern State, and the manifold forces summarised as Nationalism. It depends on historical circumstances whether the State or the national movement is the stronger partner. Politically conscious national movements have, in particular during the nineteenth century, reinforced the claims of the State to growing power and authority and tended to become crystallised in national States. But the balance between Nationalism and State Power is, at all times, a delicate one and apt to be disturbed by one of three developments :

- (1) An attempt by the State to suppress recalcitrant national groups by coercion.
- (2) An attempt by dissatisfied national groups to rebel against the State and form a State of their own, usually with the consequence of incorporating some other national group.
- (3) An unholy alliance of a State pursuing unlimited power with equally unrestrained Nationalism, in the pursuit of Empire. In this attempt, the national State becomes submerged.

Without the ordering power of the State, Nationalism is politically impotent, because it is diffuse and indeterminate in character, while a nationalism which has been infected and perverted by the idea of the supremacy of any particular people is bound to become anti-nationalist, by dissolving and undermining the loyalties which restrain Nationalism under an ordering government.

¹ For a German analysis see Meinecke, *Weltbürgertum und Nationalstaat*, 4th ed., 1917 ; for a recent British analysis, distinguished among war-time anthologies for a fair presentation of material, see Butler, *The Roots of National Socialism*, 1941.

CHAPTER II

ECONOMIC BACKGROUND

THERE is a definite and intimate connexion between the rising power of the national State and the expansion of the new economic forces, at first mainly commercial and financial under the impact of the Renaissance and the Discoveries, and later also industrial, under the impact of the mechanisation of production. Economic determinists are inclined to consider the national State entirely as the creature of the rising commercial class — the Bourgeoisie. "The modern State authority is nothing more than a committee for the administration of the consolidated affairs of the bourgeois class as a whole."¹

Modern Marxists have elaborated this proposition and contended that the capitalist classes, having achieved the saturation of the national market within the limits of the capitalist system, have discarded the national State for imperialism and economic world hegemony.

In Stalin's analysis,² in this second period, Capitalism in its search for markets "breaks out of the confines of the national state and extends its territories at the expense of near and distant neighbours. . . . The old national states of the West become converted into multi-national, colony-owning states."

Romantics, on the other hand, would ascribe the rise of the national State predominantly or entirely to a new political ideology, moulding the economic system in its progress, while other political philosophers would place the main emphasis on the rise and evolution of State power which uses economic interests and the development of economic resources as an instrument of political power, for the strengthening of State authority.

The alliance between the rulers of the modern State and the new economic classes has been a decisive factor in the formation of the national State, while the ideology of Nationalism,

¹ Marx and Engels, *The Manifesto of the Communist Party*; cf. also Marx, *Capital* (Everyman's ed. II, 848).

² *Marxism and the National and Colonial Question*, p. 100

though often used as a cloak, has undoubtedly been a real dynamic force in its development.

The respective strength of these various elements has greatly varied in different countries and at different times. But two essential phases have to be distinguished : that of Mercantilism, when the political rulers of the State assume the leadership, and stimulate economic developments and interests for the furtherance of State power ; and that of Economic Liberalism, when the economic classes feel strong enough to oppose the tutelage of the State and the emphasis turns from the furtherance of State power to the furtherance of wealth through free trade and the autonomy of economic interests. But both movements have been indispensable to the development of the modern national State, and the much-exercised antithesis of mercantilist State regulation and liberal *laissez-faire* must be qualified by the recognition that both movements have much in common.

"The function of the mercantilist period has been that of an agent of unification."¹

Mercantilism meant the replacement of the scattered, particularists and localised conditions of trade, commerce, law and, to some extent, transport, by a national system. In concrete terms it meant, first of all, the abolition of the ancient tolls system in favour of a national customs system. Here England led the way, while France, despite the efforts of Colbert, did not overcome the legacy of local and customary tolls until the French Revolution. It is significant that, in Germany, the formation of the Zollverein in 1834 marked the essential step towards the formation of the new German Reich.²

In their attitude towards economic developments, mercantilist governments everywhere pursued a policy of active intervention and encouragement. But they did so in different forms and with different emphasis.

- England, under the Tudors, witnessed a remarkable outburst of unifying social and industrial legislation, of which the Statute of Artificers (1563) and the Poor Law of 1597 are outstanding examples. Professor Heckscher sums up the effect of their economic legislation as producing a uniform regulation

¹ Heckscher, *Mercantilism*, i, 22.

² For a detailed account see Heckscher, i, ch. ii.

of all branches of industry throughout the country, maintaining a regular supply of labour for agriculture and the introduction of a uniform machinery of administration of these rules (Justices of the Peace, etc.) for town and country alike. The result was inevitably a great reduction in the power and autonomy of the commercial city and a larger measure of mobility of economic forces,¹ though the development was a protracted one and the full effects not to be seen until later.

The direct connexion between State power, national prestige policy and the new commercial interests is most clearly evident in the development of foreign trade. Here, more than in any other sphere, English policy prepared the way for future international developments. Charters "for the maintenance, enlargement or ordering of any trade or merchandise" were expressly preserved in the Statute of Monopolies (1623). A number of trading companies, of which the East India Company is the most famous, established the hegemony of English foreign trade.

French mercantilist government, under Colbert, went much further in the extent of its direct supervision of economic development, through a system of *règlements*, by which the widespread local guilds were made instruments of State supervision over the organisation of industry and labour, and by the energetic development of many new royal manufactures by direct State enterprise. In the field of foreign trade, too, the State, in France, as in Spain and Portugal, was the chief agent of development. Of the great trading nations of that time, only the Netherlands developed their maritime trade almost entirely by individual initiative and to some extent "as an antithesis of mercantilism".² Earlier than in England or France, "the arrogant self-reliance of the wealthy merchant"³ was already developed to a point where it spurned State tutelage.

While mercantilist government was, thus, unevenly developed, among the leading commercial and maritime countries, certain common features already emerge. In the countries with the most strongly developed State government, the government took an

¹ *Mercantilism*, I, 224-33; Cunningham, *Growth of English Industry and Commerce in Modern Times*, pp. 811-12, 867.

² Heckscher, I, 353.

³ Heckscher, p. 361.

active share in the development of economic resources, through the unification of customs, coinage, law, etc. ; the encouragement of new industry and of foreign trade. The form of this encouragement varied : where, as in France, industry and foreign trade were largely based on State initiative, control and finance, the subsequent tide of economic liberalism was needed to release the unhindered development of the new economic classes towards prosperity and power. Where, as in the Netherlands, a wealthy, energetic and masterful commercial bourgeoisie was already developed, the State was reduced to a relatively subordinate rôle. Where, as in England, the State developed economic life not through direct State enterprise, but through unifying measures and the grant of monopolies — to those who started new industries and to those who undertook foreign and colonial trade and expansion in enterprises of a partly economic, partly political character — the position of the new economic class was already largely assured, and it needed mainly the change from political absolutism to a parliamentary democracy dominated largely by these very classes, in order to buttress this position with the help of legislation and the administration of the law. Finally those countries which, like Germany and Italy, lacked political unity, had to postpone the development of their economic resources and interests on a national scale, until a time when the tides of capitalist development and vigorous nationalism combined to create new national States, by a powerful alliance of these two forces.

Under mercantilist government, the development of trade and industry was primarily considered as a paramount means of furthering national power politics. At that time it was the unifying force of State power rather than the ideology of Nationalism — a product of later centuries — which fostered the development of the State.¹

- But Mercantilism definitely laid the foundations for the future period of free trade, private enterprise and growing predominance of the economic classes. Professor Heckscher has demonstrated, by many examples and quotations, how not only English and Dutch publicists and statesmen of the period, but the most

¹ Cf. Heckscher, ii, 14, who rightly points out that it is therefore inaccurate to describe Mercantilists as Nationalists.

prominent mercantilist statesman, Colbert, emphasised the need for liberty of trade and enterprise and deliberately helped to raise the status of the new economic class.¹ Where Mercantilism differed from the subsequent era of Laissez-faire was in the emphasis on trade and economic development as an instrument of power and, indeed, of warfare, rather than as a means of furthering the well-being and prosperity of mankind. This attitude has been strikingly revived and expanded in our own days.

Whatever the opposition between Mercantilism and Laissez-faire may be in the field of economic theory, in the development of the national State they have essentially reinforced and supplemented each other. What the former prepared, the latter completed, in a truly dialectical development. As the strong State and nationalist ideology in succession created the political foundations of the modern national State, so Mercantilism and Laissez-faire together laid its economic foundations.

Mercantilists fostered trade and enterprise under State guidance: Laissez-faire advocates rejected this tutelage, but they were hardly less concerned with national welfare and prosperity.² Free traders believed that free exchange with other countries through foreign trade fostered the interests of their own country as well as that of others. It was a corollary of this belief that they, unlike Mercantilists, did not consider the economic gain of one country as implying the economic loss of another, a result not only accepted but desired by mercantilist statesmen.³ This cosmopolitan outlook, strong in the work of David Hume and Adam Smith, was brought to perfection by the Utilitarians, who developed the economic theories of free traders into a general political philosophy, characterised by the elevation of material wealth to the chief if not the sole criterion of happiness; the belief in individualism in all its aspects (individual enterprise, freedom of trade and property, political freedom) and a cosmopolitan belief in the international harmony of economic interests and the happiness of men. Laissez-faire became a part of the

¹ *Loc. cit.*, Pt. V, ch. 11.

² Cf. Adam Smith, *Wealth of Nations*, Bk. IV, chs. 11 and v; Hume, *Jealousy of Trade* (1752).

³ For examples, taken from *English and Continental Mercantilists*, see Heckscher, *ibid.* 2 et seq.

more comprehensive philosophy and policy of Liberalism.

The new era of *Laissez-faire* in economic development and Liberalism in political affairs had a decisive influence on the evolution of the national State, in liberating forces fostered but contained by mercantilist government. It is clear from the foregoing survey that mercantilist governments not only prepared the internal and international reorganisation, which was indispensable to the subsequent growth of industry and trade, but also promoted the prosperity of the rising commercial class, though, with the exception of the Netherlands, this class had not yet complete freedom of action.

This freedom it secured through political, social and economic movements which culminated in the English Constitutional Revolution of 1688, the French Revolution of 1789 and the American Declaration of Independence as reflected in the Constitution of the United States.

The definite establishment of parliamentary supremacy by the Revolution of 1688 meant a change of leadership in the alliance between economic interests and State government. Henceforth Parliament was supreme, and it was one, though not the only aspect of this change, that, through Parliament, the economic classes were no longer hampered by State supervision, but could impress their aims upon the policy of the national State. Nothing more was needed in England, for the State had at no time impeded the development of strong economic interests, particularly in the new form of companies, and all they needed was greater freedom of action, with control in Parliament and through the selection of Bar and Bench from the same classes, in the administration of justice.

In France the lack of success in the unification of customs and laws, the decay of mercantilist government after Colbert, the extravagance of a decadent and bankrupt monarchy at the expense of the people, produced a more radical change. But widely though the background and methods differed, the result — as far as the relation between economic interests and the national State was concerned — was not widely apart from that achieved in England.

It was mainly in Great Britain and the U.S.A. that the full impact of Liberalism in politics and economics was felt and

strongly affected the development of nation and State. The desirability of economic development and expansion was no longer a matter of controversy. The question was from what quarter the direction of this development was to be determined. The Revolution of 1688 in England, and the American Constitution, reinforced by the victory of the industrial and commercial North in the Civil War with the subsequent Fourteenth Amendment to the Constitution, ensured, though in different ways, full liberty of movement for the economic classes. It became necessary to guarantee this liberty through the law and its administration.

Internally the law, both in Britain and the U.S.A. during the nineteenth century, was interpreted so as to ensure maximum freedom of property and private enterprise. International law, again under the predominant influence of both these countries, was so developed as to protect the same freedom and ensure State protection in case of difficulties.

In the method of protection of private economic interests, English and American law differ. In the absence of a written constitution there is, in English law, no guarantee of the inviolability of either private property or enterprise. It is possible to abolish both overnight, by a simple Act of Parliament. But freedom of property and enterprise forms the steady background of Parliamentary legislation and judicial interpretation.

In the U.S.A. the embodiment of certain fundamental rights in the Constitution, and, in particular, in the Fourteenth Amendment, has made the central position of freedom of property clearer and more articulate.

Both English and American administration of justice, during the nineteenth and early twentieth centuries, are characterised by strong emphasis on freedom of property, enterprise and competition, an attitude which strongly encouraged the autonomous development of economic interests.

A contrary legislative trend developed first in England, from the middle of the nineteenth century onwards, with the gradual recognition of the Trade Union movement and a steadily growing stream of remedial social legislation.¹ But not until the third

¹ Cf. the brilliant analysis in Dicey, *Law and Opinion in England during the 19th Century*.

decade of the twentieth century did this movement assume proportions which substantially affected freedom of enterprise. In the United States there was hardly any corresponding movement before the New Deal legislation of the Roosevelt Administration.

If, internally, the State could, in the liberal era, foster individual economic enterprise by abstention, a more active attitude was needed in international affairs. For the control of military and foreign affairs always was an undisputed prerogative of the modern State. The extent to which States were driven to put their diplomatic and military resources into the service of the international economic interests of their nationals is illustrated by the development of certain rules of International Law during the nineteenth century.

The law of neutrality, mainly under American influence, was developed so as to achieve two not easily reconcilable objects : official aloofness and the protection of neutral trade with belligerents.¹

At the same time, the flood of investments of all types by citizens of the developed capitalist countries, individual and corporate — in the less developed countries — led to the use of International Law as an instrument of official protection for private interests, in particular through the use, by the more powerful States, of the pseudo-legal remedies of Pacific Blockade,² Intervention and Reprisal.³

In this last formative phase of the national State, which reached its full development only in Great Britain and the United States, economic interests, internally and internationally, strengthened their position in an unprecedented manner. But sooner or later this development was bound to lead to a crisis. The nice balance between political aloofness and economic profit-making in other people's wars could not be indefinitely maintained, and it was clear that eventually the growing international

¹ For a full account see Jessup and Deak, *Neutrality*, 4 vols. (1935).

² Applied, for example, by Britain, Germany and Italy, in 1902, against the defaulting government of Venezuela.

³ In defence, the South American States asserted the so-called Diago Doctrine, according to which intervention is not allowed for the purpose of making a State pay its public debts. This doctrine was not accepted by the Powers, but a compromise Convention was adopted by the Second Hague Peace Conference in 1907.

economic interests of capitalists left unchecked would lead to an open conflict between private interests and national State policy. On the other hand, where economic interests were associated with imperialist State policy, their joint enterprise would challenge the whole structure of a society of national States.

CHAPTER III

SOCIAL PILLARS OF THE NATIONAL STATE

THE national State is the characteristic feature of an important period in modern history. It succeeds an era characterised by Feudalism, an international Church and rival dynasties. Like the former it owes its development and strength to an alliance between the political rulers and a social class. Medieval Feudalism rested on the support given to the political rulers by an international nobility and an international clergy. It may be that the new age, the birth-pangs of which we are witnessing, will be characterised by an alliance between "charismatic" leaders¹ and the common people. Of the national State it may be said that it has derived its main support from an alliance of the political rulers with the middle classes. "The rise of modern nations has everywhere been marked by the emergence of a new middle class economically based on industry and trade."²

THE MIDDLE CLASSES AND THE NATIONAL STATE

The nucleus of the middle class is the commercial class of merchants, traders, manufacturers and, later, industrial capitalists. But the "middle class" has developed into something much bigger. The bourgeoisie supplies the bulk of the new trained bureaucracy essential to the modern State; the intellectual and the professional class is almost entirely a middle class of "bourgeoisie" origin, and the modern national army requires a trained permanent officer corps which also attracts and is substantially recruited from the bourgeoisie, though with a strong admixture from the old nobility. Recent industrial development produces a new type of "lower" middle class which has no longer the rough equilibrium between financial comfort and security, education and respectable though not noble birth that, on the whole, characterises the other layers of the bourgeoisie. It is

¹ M. Weber, *Wirtschaft und Gesellschaft*, ch. iii.

² Carr, *The Twenty Years' Crisis*, p. 145.

an ever-growing army of "black-coated" workers whose descent, tradition and, to some extent, education link them with the middle classes while their depressed economic position and lack of security pushes them towards the proletariat.¹ The inverse process occurs with the industrial working class, from which a comparatively small but influential section of skilled, well-paid and respectable workers moves upwards towards financial security, stability of occupation and social position and respectability in the broad sense of the word.

But taking it all in all, the "middle class" has formed for the last few centuries a distinct part of national society, distinct from aristocracy on one hand and the "common people" on the other, a class whose development and activity can be fairly accurately traced.

The growth of the movement towards the formation of national States is, however, a gradual one; it is continuous, from the sixteenth century to our own day, and while, throughout this period, and in almost every country the middle class has been a principal factor in the growth of the national State, the political and social conditions have varied greatly.

Broadly speaking, there have been three principal types of movements leading towards the formation of national States.

Firstly, in those countries which already enjoyed political independence and a strong central government, the transition from absolutism to the constitutional and liberal government of a modern national State is essentially the work of the new commercial middle class. This is true particularly of Great Britain and, to a considerable extent, of France and the United States, though the influence of the French Revolution, in the latter two States, implies a stronger part played by intellectual and professional circles.

Secondly, in the nineteenth century three powerful national States, Germany, Italy and Japan, emerge at a time when both Nationalism and State Power are in the ascendant. They are characterised by the combination and unification of many small and separate units (Germany and Italy) or the transformation of an antiquated into a modern social and political organism (Japan); but with the partial exception of Italy they do not have to struggle

¹ See below, Pt. II, ch. iv.

for liberation from foreign oppression. In these countries the different sections of the middle class — the economic classes, the new bureaucracy, the professional classes, the military — are all, though with differing emphasis, State-conscious as well as nation-conscious, and there is, consequently, from the outset, a close alliance between economic interests, ideological and intellectual trends and State policy. This is particularly so in Germany and Japan and, to a lesser degree, in Italy.

Thirdly, a large number of peoples, mainly in Central and South-Eastern Europe, struggle throughout the nineteenth and twentieth centuries for liberation from foreign yoke, and, usually, at the same time, from exploitation by foreign landlords. In these countries, which are predominantly agrarian, an embittered and exploited peasantry is led and made articulate by an intellectual middle class. The commercial class, being much weaker and less developed, plays a correspondingly less important part. With the exception of Poland and Hungary, this applies to all the smaller European States which gained their independence during the nineteenth century and in the Peace Treaties of 1919.

It is from this third type of national movement that a direct link leads to the twentieth-century national movements of non-European peoples, revolting against European Imperialism. Here the national and social elements are closely intermingled and blended with an element of international class solidarity. The leadership is almost entirely in the hands of an educated intellectual middle class, supported by sections of the commercial class (China, India), but the strength of these movements rests in the large peasant populations, which revolt against the foreign exploiter in the name of national independence.

TUDOR NATIONALISM

In England the commercial middle class, at the time of growing overseas trade and a developing cloth industry, became the ally of the Tudor monarchs in their struggle for the establishment of a strong national State against nobility and clergy. The monarchy increased its power, by "an alliance of the strongest forces of the coming age — London, the middle classes, the sea-going population, the Protestant preachers, the

squirearchy bribed and reinforced by the abbey lands. . . ."¹

The growing power of the commercial class and the reactionary autocracy of the Stuart monarchs turned the alliance into feud. "The attempt of the monarchy to govern in its own interest became a hindrance to further development both of material prosperity and of national feeling."² The middle class now struggled free from the restraining supervision of the monarchy and embraced the cause of democracy to secure "freedom of life, liberty and estate" (Locke). In the Civil War it was on the side of Parliament and the Roundheads. It won its triumph in the Glorious Revolution of 1688, from which the middle class emerged as the champion of political liberty and economic individualism, with a correspondingly strong reduction of State economic activity that had characterised the Tudor period.

INFLUENCE OF FRENCH AND AMERICAN REVOLUTIONS

In France, as in England, the monarchy was in conflict with the nobility, but it had failed to enlist the support of the Tiers État, which now provided the intellectual spearhead of the Revolution, adopting and developing Locke's philosophy. The French Revolution was the triumph of the middle class, of its championship of civil equality and liberty, while, at the same time, the ideology of Nationalism, of the free national State with democratic military service, spread from France over Europe. Nationalism, political and economic Liberalism, for a while, marched together, and the middle classes championed them all. But a significant difference was henceforth the development of middle-class ideology in the older national States on one hand and the new national States of the nineteenth century on the other.

In Britain the tradition of Locke and the Settlement of 1688 was applied to the new era of the Industrial Revolution. Liberalism became the dominant creed, championed by Bentham, Mill, Spencer and the Whigs. Its chief new development was the principle of free trade and *laissez-faire* in the economic life of the country. "For a century after the revolution of 1688, the Whig

¹ Trevelyan, *History of England*, p. 270.

² *Nationalism*, p. 20.

party, which found its theoretic justification in John Locke's doctrine of natural rights, was also the party of the mercantile or moneyed interest. And this interest, though it demanded protection and privilege in foreign trade, found the existing State regulation of industry at home very much in its way."¹ But the qualification regarding foreign trade is important. For it strengthened a tendency of the commercial and industrial middle class towards "prestige" nationalism. While the *laissez-faire* doctrine at home lasted, it was understood that the political and military machinery of the State must be at the disposal of economic interests in case of international conflict. That applies to British interests in India and Egypt.²

In the U.S.A., too, strong hostility of the commercial and industrial interests to any State intervention went together, especially from the end of the nineteenth century, with claims for State support in international commercial ventures.

It is in France, however, that the predominance of the middle classes in all spheres during the nineteenth century proved more decisive for the development of Nation and State than anywhere else. It permeated the Constitution, the composition of Parliament, the army, the relations between economic interests, the free professions and official policy.

The French Revolution was a rebellion against oppression and inequality, and, in its early phases, in the early pamphlets and manifestos, in the *Déclaration des droits de l'homme et du citoyen*, the equalitarian and libertarian aspect, the *peuple français* prevails. But if the mass support came mainly from the discontented peasantry, who wished to free themselves from feudal rights and crushing taxation, the intellectual and political leadership was throughout in the hands of the bourgeoisie. The National Assembly "organised the middle class as a class with special political privileges", and "in the Constitution . . . there was the germ of a property-holders republic."³ Through numerous changes and vicissitudes the predominance of the middle class remained assured, and when later constitutions extended franchise and other democratic rights, the middle

¹ Ashley, *Economic Organisation of England*, p. 162.

² As illustrated by the Franco-British Intervention of 1881 in Egypt, made directly in the interest of the bondholders.

³ Aulard, *French Revolution*, I, 173, 179.

classes were firmly established in the essential positions of control.

The Army, a national institution since the Revolution, and freer than any other big army from the lingering influence of aristocracy, became a citizen's army, directed largely by an officers' class recruited from the middle classes. The commercial classes had secured unification and codification of laws, based on freedom of enterprise and protection of property. Above all, the Parliament of France, especially under the Third Republic, came to represent the predominant influence of the middle classes. The Senate, through a system of local electoral colleges, came to be almost entirely a preserve of the bourgeois class, mainly professional.¹ The Senate, with its considerable constitutional powers, was thus able to act as a brake upon reformist Chambers of Deputies. In the latter the middle-class element was no less predominant. The economic classes exercised a vital influence not so much through direct representation as through their financial support of the lawyers and journalists who were so largely represented in the *Chambre des Députés*.² Through the professional element there was a link with the administration of justice, chiefly in the Executive, but indirectly in the Law Courts. While in France, as in other countries, the great majority of administrative and judicial officials were of great integrity, honesty and devotion to duty, in cases of political or economic importance these subtle influences would work.

The theoretical separation of powers was largely cancelled by the intimate connexions between big economic groups, Parliamentarians, the Ministry of Justice, the organs of Public Prosecution, and through the control of the Ministry of Justice over promotions, the Judiciary. If the Senate largely represented the small bourgeoisie of farmers and other small proprietors, the bigger economic interests operated largely through the *Chambre des Députés*, the Executive and the Press.

It is in international affairs that the intimate links between powerful capitalist interests, Cabinet, Parliament and the organs

¹ Bryce, *Modern Democracies*, i, 262.

² According to a calculation in the *Intransigeant* of April 21, 1928 (quoted in Schuman, *War and Diplomacy in the French Republic*, p. 371), in 1928, out of 1411 candidates, 385 were lawyers, 266 journalists, 128 industrialists, 67 merchants, 11 postal officials, 8 bankers and 7 clergymen. The remainder were farmers and workers.

of public opinion produced a position not quite paralleled anywhere else.

For if in the Anglo-American sphere, during the nineteenth century, the State left the leadership in economic expansion, on the whole, to the economic interests, and if, in Germany and Japan, on the other hand, these interests were hardly allowed, at any time, to develop autonomously, in France the situation was more complicated.

France, throughout that period, struggled to maintain and improve her international position against the growing menace of foreign Powers, and of Germany in particular. For this end, the State used financial investments as a powerful weapon, though the great deposit banks, in their turn, exercised big influence. From 1823 onwards the issue of foreign securities, bonds and stocks was strictly controlled by the Ministers of Finance and Foreign Affairs, in cooperation with the Stock Exchange. On the other hand, the Quai d'Orsay exercised a powerful and continuous control over the investment of French capital abroad. The enormous French investments in Tsarist Russia are the outstanding example of financial operations politically directed.¹ Again, in a number of imperial adventures, in particular the penetration of Tunisia, or the railways in Abyssinia and Southern China, political and economic interests were both powerful, but careful research supports the conclusion that the decisive initiative came from political rather than economic motives.² But often the rôles of pushers and pushed seem reversed, as in the part played by the Comité des Forges and French mining and manufacturing interests in association with leading politicians in the development of Franco-German relations. Owing to the particularly close connexion between economic groups, the political Press, lawyer Parliamentarians, civil servants and Cabinet ministers, an assessment of the relative strength of these different factors is no easy matter. The great number of politico-financial scandals in which, at different times, such prominent politicians as Péret, Rouvier, Tardieu, Berthelot, Laval have been involved shows the intimate connexion resulting from the

¹ For an account, estimate and tables see Feis, *Europe, the World's Banker, 1876-1914* (1930); also Lewinsohn, *Das Geld in der Politik* (1931).

² Schuman, *loc. cit.* pp. 60-65.

combination of freedom of capitalist enterprise with national prestige policy, held together by an all-powerful bourgeoisie.

Dr. Schuman rightly concludes that both Nationalism and Capitalism, a combination of "Patriotism, Power, Profits", were the most effective forces in determining the course of French foreign policy.¹

But such association could not be permanent. The crisis and tragedy of modern France is essentially a social crisis produced by the disintegration of this association. The political machinery, weakened by dissension and corruption, could no longer contain the more powerful economic groups which, with the well-paid help of their professional politicians, came to pursue their own policy, even at the price of the destruction of the French national State.² A bewildered class of civil servants came to follow whoever presented himself as leader in a disintegrating State, provided the appearance of loyalty and obedience could be preserved.

While that part of the bourgeoisie, which, as financiers, industrialists or Parliamentary politicians, shaped French politics, became deeper and deeper involved in international machinations detrimental to the nation, the sound and solid core of French Nationalism, the peasant farmer, the shopkeeper, the *pensionnaire*, became tired and resigned.

THE YOUNGER NATIONAL STATES

The difference between the development in the younger as compared with the older national States is that, in the former, nationalist ideology and the development of a strong State occur simultaneously and mutually reinforce each other. This means a vastly different relationship between the national State and the middle classes.

Firstly, in countries like Germany and Italy, nationalism developed as an intellectual movement, preached by poets, professors, students and the professional classes in general.³

Schiller, Fichte, Jahn, Hegel, Uhland, in Germany, Garibaldi, Mazzini, in Italy, were products of a middle class which had the practical monopoly of nationalist ideology. This

¹ Schuman, *loc. cit.* p. 400.

² See below, p. 95.

³ For German developments see Aris, *History of Political Thought in Germany, 1789-1815*, pp. 36 *et seq.*

nationalist ideology at first concentrated on unification and liberation from foreign domination. It was genuinely nationalistic, not imperialistic, in the form to which Mazzini has given its noblest expression. But from the middle of the century onwards this alliance of liberalism and nationalism receded more and more, particularly in Germany, in favour of a conservative ideology of the strong State, coupled with the aggressive and expansive nationalism, which sooner or later was bound to sacrifice nationalism for imperial conquest and international domination.

Secondly, national aspirations were strongly interwoven with a positive and active function of the State as the protector of these aspirations. This was prepared by the romantic conception of the State as an *organic community*, an *integration of all individuals* who find their highest fulfilment in service to the national State. From Rousseau the development led to Fichte, Hegel and the complete extinction of individual autonomy in the Nazi system. The State absorbed the nation and moulded it as clay in the potter's hand.

But most important of all, in the newer national States, and most emphatically so in Germany and Japan, the State was given an active economic function, and thus the relation between the commercial and industrial middle class and the State was throughout one of cooperation, making that class strongly State-conscious.

The economic doctrines of three leading German thinkers of the first half of the nineteenth century, Johann Gottlieb Fichte,¹ Adam Mueller² and Friedrich List,³ opposed the liberal, individualistic and internationalist doctrine of the English thinkers, of Adam Smith, Bentham, Cobden, Ricardo, and replaced them by theories of a planned national political economy, developed, behind protective tariffs, as part of a grand political strategy.

¹ In 1879 Bismarck adopted Protection as a fiscal policy. At the same time Prussia began to nationalise her railways. Between 1883 and 1889 the conservative and militarist German State assumed the functions which, at an earlier period and with more limited means, the Tudor monarchy had exercised in England,

¹ *Der geschlossene Handelsstaat* (1880).

² *Versuch einer neuen Theorie des Geldes*.

³ *Das nationale System der politischen Oekonomie* (1841).

and introduced the great schemes of compulsory health, accident and old-age insurance that served as a model to Lloyd George's reform in England.

Thus capitalist enterprise and the middle class were taught and practised to look to the State for an active economic policy. The increasingly imperialistic aspect of German Nationalism, after the foundation of the German Reich, helped to consider economic State policy in connexion with military and political plans of conquest.

"The joint-stock bank was not merely a credit organisation, but a politico-economic instrument; it was an instrument of Germany's power policy."¹ The famous Baghdad railway project gives a good illustration of the cooperation between an imperialistic State policy and financial interests in a joint political economic enterprise.²

Until the advent of the Hitler régime, however, this intimate link between the economic middle class and the State was mitigated, to some extent, by certain general features of the capitalist system which German and Western capitalism shared. German industry participated in international production and price cartels and resented control of its internal conduct of affairs and of profits. But in regard to the conscious cooperation of economic interests in military and political State planning, German industry and business had received its schooling in the teaching of the professors during the nineteenth century and its practice during the Reich of Bismarck and William II.

At the same time a further link was forged through the rapid expansion of a trained professional bureaucracy predominantly recruited from the middle classes. Like future officers and industrialists, the future judges and high administrators of Germany, and the professional classes in general, received their training in schools and universities that were imbued with the twin ideas of a great German nation and a powerful German State. The civil service, in any modern State, is trained to be loyal to any government that is strong enough to impose its will. In the case of Germany, this loyalty of habit and training was strengthened by an ideology. The officers' class in Germany

¹ Bruck, *Social and Economic History of Germany*, p. 80.

² For an account see Brandenburg, *From Bismarck to the World War*, p. 362 et seq.

continued to be dominated by the landed aristocracy. But many members of this class acquired, at universities and through the *esprit de corps* fostered by the *Studentencorps*, an intimate affinity of outlook with the students of the higher middle class. Aggressive nationalism provided a common background. On the other hand, the great expansion of compulsory military service created a powerful class of *Reserveoffiziere*, mostly recruited from the professional classes, which strengthened the links between the old aristocracy and the middle classes in the military profession.

The emergence of Japan as a national State affords striking parallels to that of Germany, despite the vastly different racial, historical and social background. The development was even more concentrated and feverish. Though the pillars of the new Japanese State created by the Meiji Restoration (1867) — the *samurai* (lower nobility), the *daimyo* (feudal leaders) and the *chonin* (big merchants) — were the descendants of a feudal society, they created a modern State which rests on substantially similar foundations as the new German State. The feudal nobility supplied the bulk of an exceptionally active and influential bureaucracy as well as a new professional military class; the big merchants developed into a small group of very powerful bankers and industrialists. Below them, the exploited feudal peasant class supplied a new industrial proletariat as well as the common soldier of the new armies. Held together by ancient politico-religious myths, feudal traditions and power visions of Japanese Empire, the three ruling classes together laid the military, political and economic foundations of a modern national State in which economic and industrial development was, from the beginning, intimately linked with political and military plans.¹

The national movements by which the smaller national groups of Eastern, Central and South-Eastern Europe have struggled for freedom in the form of the national State — widely though they otherwise differ in their historical and political background — have one feature in common: the population is predominantly a peasant population exploited by foreign landlords. Its struggle against aggression became articulate when a comparatively small

¹ For details see Norman, *Japan's Emergence as a Modern State* (1940); Orchard, *Japan's Economic Position* (1930); Honjo, *Social and Economic History of Japan* (1935); Keeton, *China, The Far East and the Future*, ch. xxii.

section of middle-class intellectuals brought from England, Germany, France, Italy or Russia the new ideology of Nationalism. The peasantry in these countries was therefore a more active participant in the struggle for national liberation than usual.¹ Tsarist Russia, in the Baltic States and Poland, the Turkish Empire in the Balkans, the Habsburg Empire in Bohemia, Slovakia and parts of the Balkans, represented foreign political domination, with the appendant apparatus of tax collection, officials and military. German barons in the Baltic States, Magyar landlords in Croatia, Polish landowners in Lithuania, Greek clergy in Bulgaria, German landowners in Bohemia and Moravia, the boyars in Roumania exploited the native peasant population; they were either foreigners or cooperated with the foreign master Power. In each of these countries middle-class idealists sought to revive and maintain national language and culture, and as the cultural movement turned into a political one, found their principal support among the peasants.²

It is only in Poland and Hungary, and to a more limited extent Roumania, that the national movements originated with and essentially remained a preserve of the land-owning aristocracy. The peasantry, in these countries, remained essentially "below the level of political consideration or consciousness",³ while subsequent industrial, commercial, professional and administrative development gave a limited share to the commercial and professional classes.⁴

Surveying the development as a whole, it is clear that of all social classes the middle class, though certainly not only the commercial class, has been the chief dynamic force in the growth of the national State.

If, in the older national States, political authority and economic interests did not cooperate in a common plan, modern developments have assimilated the position closely to that of the younger national States, such as Germany and Japan.

The exigencies of modern industrial life and the shadow of war have gradually brought about a closer and more direct

¹ This is reflected in the political importance of peasant leaders such as Maniu in Roumania or Radic in Yugoslavia.

² Cf. *Nationalism*, ch. vi.

³ *Nationalism*, p. 93.

⁴ For a fuller analysis see *Nationalism*, ch. vi; Keeton and Schlesinger, *Russia and her Western Neighbours*, Pt. I, ch. vi; Pt. II, ch. iii.

relationship between the economic classes and political government in the Anglo-Saxon countries as well. All over the world the national State strongly relies on the support of the middle classes, and they rely on the State.

But the crisis of this relationship, and with it of the national State, threatens.

The finance and business entrepreneur, at the period of an advanced capitalistic economy, becomes more and more engaged in international monopolies, cartels and investments which will result in a deadly conflict between national loyalty and international economic interests.

On the other hand, the growing claims of the working classes, the "common people", for rights and recognition, will accentuate social conflict as against national community and bring about international alignments between members of the same economic and social classes, in opposition to other classes within the same nation.

Again, the dictatorship thrown up by the weaknesses of democracy, the economic and social troubles of a world torn by war and economic disorder, will compel the bureaucracy and the intellectuals to choose between absolute loyalty to the government and the maintenance of their intellectual and moral heritage. The implicit conflict between Nationalism and Imperialism will be brought to a head by the claim of colonial peoples to national independence and, on the other hand, by the methodical imperialism of the totalitarian States, which means the abandonment of nationalism.

At the same time, war and disorder will stimulate new international ideologies tending to overcome the national State as the determining unit of political life.

The analysis, in detail, of this manifold challenge to the national State will be the object of the second part.

CHAPTER IV

SOVEREIGNTY OF THE NATIONAL STATE

SOVEREIGNTY means the supreme coercive power in society, the power to impose one's will upon everyone else within that society, and the corresponding denial of any superior power. Sovereignty is not necessarily an attribute of the national State. It is nothing but a formula by which to solemnise and legitimate the supreme coercive power, whichever the authority that wields it. The government of the national State — whatever the combination and distribution of powers may be between the legislative, executive and judiciary branches — claims supreme coercive power within the State society and refuses to acknowledge any authority above itself. National sovereignty thus symbolises and puts into terse form the essential achievements of the national State : coercive authority over any organisation, body or institution within the State, and defiance to any coercive authority from without ; in other words, it acknowledges war as the ultimate test of international relations.

How far State law is shaped by sectional influences, economic interests, popular custom is a matter of great political and sociological importance. But that, juristically, the State is the supreme legal authority in modern national society can no longer be a matter of controversy.

A mass of obscure theory has, however, been developed like a smoke-screen around the plain implications of national sovereignty in international affairs. When the belief in superior principles of Natural Law faded and the power of the national State emerged more and more clearly as the *arbiter rerum* in international affairs, most international lawyers were still reluctant to acknowledge this fact and to put the alternative between national and international sovereignty clearly. It became fashionable to cover national freedom of action with spurious formulas about respect for International Law. Vattel's distinction between the law of nature, as being confined to the realm of conscience, and external law, as determining the action of States,

or Jellinek's theory of the self-limitation of the State which voluntarily submits to International Law, without abandoning its sovereignty,¹ are illustrations of this trend.

But for this smoke-screen less trust might have been placed in the effectiveness of the Hague Conventions on rules of warfare, and the fundamental weakness of the League Covenant might have been recognised before a series of major aggressions made it abundantly clear that there was no half-way solution between national and international sovereignty, and that the national State and national sovereignty had in fact prevailed.

In the economic field national sovereignty means that the national State provides not only the political but also the economic frontiers. While there is a vast volume of international economic relations, the national State, in the exercise of its sovereignty, regulates them: by protective tariffs, currency regulations, export and import quotas, industrial subsidies, bilateral or multi-lateral treaties, etc. Prior to the outbreak of the present war this aspect of State sovereignty assumed ever-increasing significance. It celebrated a grim triumph in the period after the First World War, when national tariffs and nationalist economy not only helped to ruin the new States of Central and South-Eastern Europe, but had a decisive part in bringing about world unemployment, a collapse of international trade and another war.

In the social field, too, national sovereignty proved incompatible with effective international social measures. It meant, for example, that all decisions of the International Labour Organisation, *e.g.* those regulating conditions and hours of employment, were subject to acceptance by each State concerned, even after the national delegations to the Conference had accepted it.

Thus the attribute of the national State, national sovereignty, means the fundamental impossibility of an international, legal, political and economic order, as distinct from temporary balance of power, alliances or international agreements, to be kept *rebis sic stantibus* or until "national honour" or "vital national interests" would demand their repudiation.

Exactly as the sovereign state protects, in the internal sphere, a system of legal rights intended to safeguard his supremacy, so, externally, its authority by the sheer logic of his relationship with it,

¹ *Allgemeine Staatslehre* (1905).

must be used to impose that supremacy, so far as may be, upon others. . . . Upon the existing basis, the utmost good will in international relations can only postpone, without being able to avoid, the ultimately inevitable conflict.¹

So overwhelming have been the disasters following upon the exercise of unmitigated national sovereignty between the two wars that there is today a remarkable consensus of opinion on its anarchical consequences. One is not surprised to find socialists, like G. D. H. Cole,² H. J. Laski,³ or R. H. Tawney,⁴ castigating the curve of national sovereignty. But the essentially realistic and sceptical approach of E. H. Carr,⁵ the religious approach of Lionel Curtis,⁶ the conclusions reached by liberal or conservative politicians after a life of political thinking or action,⁷ the Resolution of a representative Committee of international lawyers⁸ have produced very similar results. It is perhaps even more significant that every one of the relatively few attempts yet made to deal with concrete problems of economic reconstruction are all based on the abandonment of national sovereignty. Professor Condliffe, after a survey of the problems of economic reconstruction, bluntly states that any international equilibrium will be unattainable if the nations all wish to preserve their full freedom of political and economic government.⁹ Mr. Jenks, the legal adviser to the I.L.O., shows in an examination of the revenue aspects of international institutions that the power of the purse in the hands of the States has impeded their free development, and concludes that "the international anarchy must continue unabated", if "new international developments are to be required to be consistent with a host of divergent and frequently conflicting national practices and prejudices".¹⁰ Most important of all, the Chancellor's *Proposals for an International Clearing Union*¹¹ are based on "a

¹ Laski, *The State in Theory and Practice*, p. 244.

² *Europe, Russia and the Future*, 1941.

³ *The Danger of being a Gentleman*, 1932.

⁴ *Why Britain Fights*, 1941.

⁵ *Conditions of Peace*, 1942; *The Future of Nations*, 1940.

⁶ *Faith and Works*, 1943.

⁷ Cf. Lord Lothian's Burgess Lecture, 1935; Sir J. A. R. Marriott, *Federalism and the Problem of the Small State*, 1943.

⁸ *The Future of International Law*, Grotius Society, 1942.

⁹ *Agenda for a Post-War World*, p. 124.

¹⁰ *Transactions of Grotius Society*, vol. 28, pp. 87, 131.

¹¹ Cmd. 5437 (1943).

greater readiness to accept supernational arrangements . . . in the post-war world" and invite the States "to abandon that licence to promote indiscipline, disorder and bad-neighbourliness which to the general disadvantage, they have been free to exercise hitherto".

The language of statesmen is apt to be more cautious. Mr. Cordell Hull, speaking, on July 23, 1942, about the need for appropriate mechanisms to attain better things for humanity, said that "in the creation of such mechanisms there would be a practical and purposeful application of sovereign powers through measures of international cooperation. . . . Participation by all nations in such measures would be for each its contribution toward its own future security and safety from outside attack."

In a recent article,¹ the Mexican Foreign Minister, Padillo, said: "States . . . will invariably revert to inequality so long as there does not exist a higher agency which is able to curb the stronger in favour of the weaker. . . . In enforcing international law, that agency would not curtail any sovereignty; it would only coordinate it with other sovereignties."

Such statements, while avoiding the clear issue between national and international sovereignty, emphasise the need for supernational institutions and organisation. Mr. Churchill's broadcast of March 21, 1943, envisaging a Council of Europe and a Council of Asia and regional associations, points in the same direction. It was left to Lord Simon to commit himself to the view that Mr. Hull's speech, far from intending to substitute international authority for sovereign rights, implied "that sovereign rights and self-government will be preserved and made, as far as self-government is concerned, more authoritative and complete".²

Such a statement, representative of symbols and conceptions of a past era, weighs little against the overwhelming evidence of political, military and economic realities.

¹ *Foreign Affairs*, October 1942, p. 7.

² House of Lords, August 5, 1942. Cf. the comment of L. Curtis in *Faith and Works*, p. 34.

PART II

THE DÉCLINE OF THE NATIONAL STATE

CHAPTER I

THE CONFLICT BETWEEN NATIONAL SELF-DETERMINATION AND THE STRONG STATE

EVERY one of the symptoms of crisis analysed in this book is inherent in the perpetual mobility of ideas and conditions which, throughout the political history of mankind, have made the pendulum swing backwards and forwards, as the very exultation of one set of political or economic or moral principles has led to their destruction and the advent of their opposite. This forms the principal background of the "dialectic" interpretation of history which has been brought to perfection and, to some extent, disrepute by Fichte, Hegel and Marx, but is far from being a German monopoly.¹ Indeed, the insistence on the relativity of political, social and economic thought by leading modern thinkers² is, in its practical conclusions, sometimes not too far from the dialectic method, though it is free from the dogmatic rigidity which has rightly exposed Hegel's dialectic system to ridicule.

The symptoms of crisis are, like the elements that make the national State, manifold in character. Ideological, sociological, economic developments, new power impulses, all play their part in a perpetual interplay of forces.

✓ Ever since *Kulturnationalismus* developed into *Staatsnationalismus*, since the desire for freedom of national groups crystallised into a desire for political independence in the form of a national State, the conflict between the desire for political sovereignty of national groups living in a State dominated by another national group and the desire of that dominating group

¹ A perfect example of dialectic interpretation is Dicey's demonstration (in *Law and Opinion in England during the 19th Century*) of the way in which Bentham's Liberalism, aiming at a removal of legal inequalities by legislative machinery, led to the very opposite of his ideology, an unparalleled expansion of State interference in economics.

² Cf. M. Weber, *Ges. Aufsätze zur Wirtschaftslehre*, pp. 451-502; G. Radbruch, *Rechtsphilosophie* (1932); E. H. Carr, *The Twenty Years' Crisis*; R. M. MacIver, *The Modern State*.

to maintain and increase the power of the State by coercion and suppression of such movements, has led to recurrent conflicts and a deep crisis in the whole evolution towards the national State as the expression of national self-determination.

The older national States and the more powerful of the younger national States have been very much less exposed to this threat than the younger and smaller national States.

France, Britain, Spain were able to establish a strong centralised government, before national movements could disrupt the structure of the State, and centuries of common government have produced a community of traditions, economic interests and, in most cases, language, strong enough to confine modern national movements to limited and, on the whole, non-political purposes.¹

This position is, of course, subject to political vicissitudes. The modern masses have not only become a decisive active factor in politics, they are also increasingly susceptible to the multiple influences of modern political propaganda. The stimulation of national movements for purposes of internal disruption is a paramount weapon of modern Imperialism of the totalitarian brand. A weakened France may witness an artificially inflamed revival of Breton Nationalism. No one can tell whether political difficulties and hostile influence may not turn even Welsh and Scottish national movements into political movements. Again, national and social movements sometimes combine. The combination of Catalan independence movements with a particular type of syndicalism forms a recurrent problem for Spanish governments.

The disruptive force of national movements within a State is strongly influenced by the existence of coercive power which the State, controlled by the preponderant national group, is able to muster. Germany has not suffered serious trouble from her considerable Polish or Danish minorities or from Alsace-Lorraine, simply because the predominant German element was united in a State strong enough to cope with irredentist movements.

It is the smaller national States, mainly those created by the

¹ Ireland is, of course, an exception. It is the signal example of a failure of alien conquerors to turn suppression into loyalty. For an account of the recurrent failures of English governments to handle the Irish problem see Trevelyan, *History of England*, *passim*.

Peace Treaties of 1919, which have experienced the full impact of the conflict. "They were created in a period marked by increasing struggles on the part of submerged nationalities to assert themselves, and an increasing determination of those in power to prevent them from doing so."¹ They were exposed to a double threat, from within and without. To establish, through efficient and wise government, a unity and tradition strong enough to overcome the irredentism of national groups was in itself an infinitely harder task than in previous centuries, when national consciousness was either asleep or, at any rate, not yet driven to seek political autonomy in a sovereign State. It so happened that, in Central and South-Eastern Europe, a large number of national groups, living close and intermingled, were all animated by a strong Nationalism so that it was absolutely impossible to form any truly uni-national State capable of living as an independent unit. The only nationally "pure" creation of the Peace Treaties, Austria, was economically such an anaemic structure that it was bound to lean either on a combination of successor States to the Austro-Hungarian monarchy, or on Germany. All the other States were composed of two or more national groups, but in each one national group was dominant and attempted to stamp on the new State its own ideas and aspirations. "All new states . . . are more or less consciously the national state of the single nation which forms the majority of their population. But the facts were against them. The number of persons left as, or made into minorities by the Peace Treaties, was probably not less than some 25-30 millions constituting the substantial proportion of the population of the states to which they were assigned. Not one of these states was, in fact, uni-national, just as there was not, on the other hand, one nation all of whose members lived in a single state."² Even where it was not a question of minorities in relation to the principal group, as in Poland, Hungary, Roumania, Bulgaria, but of an association of several principal groups as in Czechoslovakia or Yugoslavia, one national group dominated: the Serbs in Yugoslavia, the Czechs in Czechoslovakia.³ In 1934 a careful

¹ Macartney, *National States and National Minorities*, p. 108.

² Macartney, *loc. cit.* pp. 209, 210, and Appendix.

³ Of all these States, Czechoslovakia probably came nearest to a true association of several national groups on a democratic basis, and "external circumstances rather

student of this problem summed up the position as follows : "The real root of the trouble lies in the philosophy of the national state as it is practised today in Central and Eastern Europe. So long as the majority nations which have assumed command of the different states persist in their theoretically absurd and practically unattainable endeavour to make of those states the exclusive instrument of their own national ideals and aspirations, so long will the minorities be placed in a position which no system of international protection can make tolerable." ¹

But since then, the threat from without has overshadowed, though it has, at the same time exploited, the threat from within. Such States as Poland, Czechoslovakia, Yugoslavia might have succeeded in welding their national components into unity, given a period of stable and tranquil government. One way towards this goal is sheer ruthless violence. J. Buchan's observation that "time and again violence has wholly achieved its purpose when it has been carried to its logical conclusion", ² has been tragically underlined by recent experience. It is the solution adopted on a grand scale by Hitler's Germany towards Jews and the Slavonic peoples, and under its protection, by her satellites towards their old or newly acquired minorities ; by Italy towards Slovenes and Albanians ; by Bulgaria towards Serbs and Greeks ; by Hungary towards Serbs and Croats. Previously it had been successfully practised by the Turks against the Armenians and by the Iraqis against the Assyrians. But this solution, quite apart from its barbarity, is not practicable for States which lack the physical power to do so. The attempts by Polish governments to suppress their German or Ukrainian minorities were bound to encourage interference from her much more powerful neighbours. The preferable way is a deliberate adjustment of territory and national population, so as to reduce tension to a minimum ; or alternatively, a policy of conciliation and gradual integration. The former of these methods encounters grave practical difficulties. The difficulties of an exchange of populations, carried out by Greece and Turkey, and by Greece and Bulgaria, have been analysed by experts. ³

than this internal weakness were the cause of its downfall in 1938" (*Nationalism*, p. 104).

¹ Macartney, p. 421 ; cf. also Cole, *Europe, Russia and the Future*, p. 98 et seq. ; Carl, *Conditions of Peace*, ch. iii. ² Cromwell, p. 355. ³ Macartney, p. 449 et seq.

The majority of these cases have only occurred when a *fait accompli* had been established by one nation driving out of its borders the members of a national minority. The other nation, faced with these refugees of its own race, was then forced to make the best of a bad job.¹

The adjustment of frontiers meets almost invariably with the difficulty of exchanging one minority problem for another and the discrepancy between economic and national needs. The Upper Silesian frontier between Germany and Poland demonstrated the clash between the two principles.

There remains — assuming always the restriction of a solution within the limits set by a society of sovereign national States — the policy of conciliation and integration. Any chances to achieve this have been destroyed by the sheer physical force of an imperialistic and more powerful State outside the frontiers. Germany, aided by her satellites, has destroyed the States of the Peace Settlement of Versailles by sheer force, using, it is true, minority grievances, grievances which, if the power position had been reversed, would never have had a chance.

The dilemma is evident. It springs, fundamentally, from the self-defeating aspects of political Nationalism in the contemporary world. The economic aspects of State Nationalism will be considered separately.² What this brief survey has attempted to demonstrate is the inherent self-contradiction of the ideal of the sovereign State based on national self-determination, and the impossibility of a satisfactory solution as long as the sovereign national State remains the ultimate standard of value. It seems that all serious students of the problem agree on this point. After a searching study of the problem, Macartney commends, on the basis of the experience of Soviet Russia and Great Britain, the multi-national State.³ Professor Laski writes in 1932, surveying the problem from the angle of the future of civilisation :

. . . the principle of self-determination is one to which distinct limits have to be set . . . the inescapable interdependence of nations makes it impossible for any one national state finally to decide any question in which other national states have a serious concern.⁴

In 1940, under the impact of world crisis and another world war, Professor Carr writes :

¹ *Nationalism*, p. 294.

² *Loc. cit.* p. 476.

³ See below, Pt. II, ch. v.

⁴ *The Danger of being a Gentleman*, p. 194.

The settlement of 1919 was thus valid only for economic as well as for military conditions which no longer existed. It was clear that the political right of self-determination must be conditioned and restricted not only by military necessity, but by the exigencies of economic interdependence. . . .¹

In 1941 G. D. H. Cole concludes :

. . . The first essential for facing the problems of European reconstruction is to cut asunder in our own minds the notions of nationality and of independent statehood. There must be national groupings all over Europe ; for nationality is a real and creative force in the minds of men. But nationality can no longer, in this twentieth century, provide a basis for the State.²

For two reasons, the dilemma of national self-determination is often seen entirely as a problem of the smaller States. First, the recent products of the ideology of self-determination, especially the creations of the Peace Settlement of Versailles, have all been smaller States, whose comparative weakness has been accentuated by the need to solve a host of internal problems — racial, economic, social, constitutional — in a very short time. Second, the development of modern totalitarian warfare and of air war in particular, has greatly altered the balance of strength as between greater and smaller States. Small space, lack of manpower reserves, the necessary absence of an economy balanced between raw materials, industrial and agricultural capacity, have combined to expose the smaller States to military threats which larger States — given adequate preparation — can withstand better. Consequently even those who defend the small State for political as well as for cultural and ethical reasons regretfully conclude that the small State has no chance of survival in a world based on the sovereignty of the National State.³

But the problem — though of particular urgency for the smaller States — certainly affects all States, big and small alike. Militarily, none except a very few States of continental dimensions — probably only the U.S.A. and the U.S.S.R. — could even attempt to wage modern war by themselves, and even they would face the likelihood of eventual defeat. If peace is indivisible, national self-determination, in its full implications, is an illusion

¹ *The Future of Nations*, p. 43.

² *Europe, Russia and the Future*, p. 14.

³ See Marriott, *Federalism and the Problem of the Small State* (1943), p. 107.

for big and small States alike. There are, however, several alternatives, not only one, though they are all of a super-national character. There is, on one hand, the possibility of absorption of the smaller by the bigger States, as practised by Fascist Imperialism. But the smaller States are not much less apprehensive of a new power bloc formed by the "Big Four" (U.S.A., U.S.S.R., British Empire, China) which would largely control and, perhaps, eventually, absorb the smaller States.¹

The imperialist and the other supernational alternatives to national self-determination will be discussed below.²

¹ Cf. the correspondence following *The Times* leaders of March 10 and 23, 1943, in particular the Netherlands Foreign Minister, in *The Times*, March 25, 1943. The special position of the "Big Four" is already taking concrete shape in the Draft Agreement on Post-War Relief sent by the United States Government to the governments of the United Nations. It suggests a Central Committee, composed of delegates of China, the U.S.S.R., the United Kingdom and the U.S.A. as the chief executive organ. (Full text in *The Times*, June 11, 1943.)

² Cf. the following chapter, and Pt. II, ch. vi; Pt. III, ch. ii.

CHAPTER II

THE CONFLICT BETWEEN NATIONALISM AND IMPERIALISM

THE EXPANSION OF NATIONAL STATES TOWARDS IMPERIAL STATES

THE difficulties of national States based on self-determination are accentuated by the inequality of power as between different States. A world divided into large numbers of comparatively small States, each based on homogeneity of national composition, economically balanced, and not strong enough to threaten neighbours, would greatly lessen the dangers of the era of national States. It might, from many points of view, be a world preferable to the monster blocs that are developing, whatever the basis on which they rest. But it is a world far removed from the political, psychological and economic realities of today.

The urge for power, the manifold expressions of which Bertrand Russell has so brilliantly analysed,¹ have operated in the era of national States not perhaps with greater intensity or wickedness, but certainly with greater effect than in any previous period. The reason is that the union of large groups of people under a strong government, provided with huge national armies and the instruments of war and domination created by the Industrial Revolution and modern science, made inequality of size, numbers, resources more important than ever. Thus the small groups of people which, time and again, have used the masses of mankind for the satisfaction of their power urge, were provided with new and potent incentives.

But even within the era of the national State the danger of using the densely concentrated masses organised in nations and governed by the efficient machinery of the modern State has steadily increased through the operation of what Harms has described as the "law of increasing state activity".² Whereas

¹ *Power*, 1938.

² "Weltwirtschaft und Weltwirtschaftsrecht", in Strupp's *Wörterbuch des Völkerrechts*.

the national State was associated, until about the middle of the nineteenth century, with a liberal economic ideology which meant a free play of economic forces and the restriction of State activity to limited spheres, the State has gradually extended its control over all aspects of life, in particular economic life, and thus concentrated the means of national energy and action. It has already been pointed out how, in the younger national States, economic interests, from the beginning, cooperated with the State government in the pursuit of coordinated political and economic objects. But in the other national States, too, the government, by a dialectical process brilliantly analysed by Dicey,¹ has gradually been compelled to abandon the attitude of economic indifference. The reasons are many and need no more than brief mention here.² The claim of national economic interests, trade, industry and agriculture, for protection against competition, the international complications of a neutrality law and policy which wanted private freedom of trade under the protection of a strong State ; but above all the dilemma of unbridled capitalist economy with the resulting misery of the labouring masses that compelled the government to intervene, by social insurance, factory legislation, sanitary and educational measures, have forced the State government out of its original passivity. The degree to which it has been replaced by an active economic policy depends on political ideology ; but the concentration of power in the hands of State government has been an inevitable and universal result, and this very concentration has increased the potential aggressiveness of the modern State and the inequality of power between strong and weak national States. The climax is reached when the concentrated resources, in manpower, production, raw materials and control of the people's minds are put into the service of unlimited political ambition, in the modern totalitarian State.

At first the idealistic aspect of Nationalism and its association with the noblest of human instincts, the desire for freedom, pushed its aggressive potentialities into the background. The older national States like Britain, France, Spain had concluded

¹ *Law and Opinion in England in the 19th Century.*

² For a fuller analysis cf. Harms and Dicey, *loc. cit.* ; Lawley, *Collective Economy* (1938) ; Friedmann, *World Revolution and the Future of the West*, ch. v.

their imperialistic conquests, at least in the sphere of awakening Nationalism, while the problems of their colonial empires were not yet acute. The younger national movements in Germany, Italy, Hungary, Greece and, in the twentieth century, in the various parts of the decaying Austro-Hungarian and Turkish empires, were struggling for freedom from alien suppression and, if they thought of aggression, could not afford to practise it.

As sober and detached a study as that by a group of members of the Royal Institute of International Affairs remarks: "The good repute which nationalism commonly enjoyed in the nineteenth century should not blind us to its constant association with aggression and incitement to war".¹ This observation is perhaps unduly pessimistic; it is correct for the later stage of "militant" or "imperialistic" Nationalism but not for the earlier "liberal or pacifist Nationalism".² The barbarous aggressiveness displayed by Germany in the last few generations has caused a number of writers to develop, in the present as in the last war, an *ad hoc* thesis of German aggressiveness as a racial and national characteristic. While such doctrines have their importance, though not necessarily a positive one, for propaganda purposes, they need not be taken seriously for purposes of any objective study.³

The dispassionate survey just quoted and concluded on the eve of the present war, gives ample illustration of the aggressiveness displayed, in turn, by every nation of sufficient strength at some stage in her history. Without any study of history, the contemporary observer cannot fail to note the striking similarity of designs and methods employed by nations as different in race and history as Germany, Italy and Japan.

Nationalism is no more necessarily aggressive than democracy is necessarily pacific in character, or modern technique necessarily destructive. Systems and forms of political and social organisation are devices of group life adapted to particular conditions, devoid of a particular purpose or quality. These they receive from the men who operate and control them. It is because the

¹ *Nationalism*, p. 186.

² A distinction traced by Mises, *Nation, Staat und Wirtschaft*, 1919.

³ Cf. the pertinent observations in Carr, *The Twenty Years' Crisis*, ch. v; *Conditions of Peace*, ch. ix; also Friedmann, *World Revolution*, ch. iii.

majority of people seem incapable of resisting the temptation to increase their wealth, their political or social position, their prestige at the expense of others, that capitalist enterprise has produced exploitation and Nationalism has led to war. As the majority of Christians have not lived up to the teachings of Jesus or St. Francis, and the majority of capitalists have not lived up to the principles of Owen or Abbé, so the great majority of those who direct the fate of national States have failed to live up to the principles of Herder or Mazzini.

The conflict between Nationalism and Imperialism has almost everywhere accompanied the development of the national State. When a national group had succeeded in establishing a State powerful enough to challenge other States, it has almost invariably done so and, in the process, denied some other nation the right to independent existence.

Nationalism, having attained its first objective in the form of national unity and independence, develops almost automatically into imperialism.¹

The critical turn takes place when the national movement abandons its association with the ideal of Liberty.

The ideal of liberty is at once national and cosmopolitan. It is revolutionary, for it wants to do away with all dominion incompatible with its principle; but it is also pacifist. What reason for wars could there be, once all peoples are free? In this, political Liberalism meets economic Liberalism, which proclaims the solidarity of the interests of all peoples.²

While, in the prenationalist era, dynastic wars were legitimated by some claims or other to rights of succession, the modern national State invokes the suppression of a minority, the need for living space or raw materials, an alleged injustice done to a national abroad or — and this is more subtle — intervenes to enforce financial claims, themselves the result of economic exploitation and penetration of another country. The appearance of right, however thin, is preserved. As a great historian of the last century has remarked:

One is ashamed of the eagerly coveted power achieved by all

¹ E. H. Carr, *The Twenty Years' Crisis*, p. 144.

² L. Mises, *Nation, Staat und Wirtschaft*, 1919.

manners of crime, since right still has a magic sound which one does not wish to dispense with.¹

But it is only comparatively recently that the deadly antagonism between Nationalism and Imperialism has become patent.

We have already described the increasing threat of such a conflict resulting from the growing concentration of economic as well as military power in the hands of the modern State government. Two further factors have encouraged the advent to power of men determined to use the potentialities of the national State for conquest and empire. The one is the disappearance of the balance of power in European politics, the other the awakening of Nationalism in the non-European peoples dominated by a European power.

The principle of formal equality of nations as a maxim of International Law has always been opposed, in practice, by the supremacy enjoyed by the stronger over the weaker States and ranging from diplomatic pressure to war. But while conquests before the era of Nationalism did not have to trouble with the principle of national independence, power politics of the last two centuries were marked by what is called Balance of Power, a policy adopted by Britain during the period of her hegemony and designed to prevent the absolute domination of any one Continental Power. This meant the prevention of the complete extinction of any vanquished State and British assistance to help it on its feet. The practical result was that, in none of the European peace settlements of the nineteenth century was a vanquished State completely disrupted. The partition of Poland in 1795 was the last example of extinction of a national State. The Congress of Vienna, in 1815, weakened Imperial France but left her as a major Power. The Treaty of Paris, in 1856, exacted only minor adjustments from Russia. The Treaty of Versailles, in 1871, only took the disputed province of Alsace-Lorraine from France. Even the Peace Treaties of 1919 did not disrupt vanquished Germany; the Austro-Hungarian Empire disintegrated into its component parts; it was not destroyed or dissected by force against the will of its peoples.

But the balance of power collapsed with the emergence of Germany as a national State able singly to face any combination

¹ Burckhardt, *Weltgeschichtliche Betrachtungen* (Kroener ed., p. 37).

of Continental Powers and the corresponding, unsuccessful attempt of Britain to counter the danger by a permanent alliance with France, as well as the failure of the Allied Powers to develop the League of Nations into an effective instrument of resistance to German ambitions.

Almost two decades ago, a German scholar raised the question why a world balance of power did not take the place of the shattered European balance of power. His answer was that the fateful race for colonial empires initiated by the bombardment of Alexandria in 1882, soon resulted in the occupation of all parts of the earth open to European occupation, with the result that an ambitious and rapidly-growing Germany found herself facing "a general pool of imperial powers dominating the world". At the same time the spiritual unity of Europe crumbled.¹

To this must be added the growing momentum of the rise of the non-European peoples against direct or indirect domination.

Against the background of a preponderance of power which, by clever exploitation of internal discussions, social cleavages, saturation, inertia and aversion from war, could contemplate the establishment of empire over old-established national States, National Socialism and its totalitarian partners could develop the technique of total national destruction.

A military victory over Poland or France no longer means just a military victory, with the cession of certain territory and the exaction of reparations. It means the deliberate and lasting dismemberment of the essential elements from which the national State is built.² It goes without saying that the military power of the conquered State is destroyed and its economic resources are exploited. But the new Imperialism attacks the very roots of potential resurrection. Aided by its knowledge of the elements which make a national State, it reverses the process. The intellectual class and the civil service are decimated and, in some cases, exterminated; universities and schools are closed. The growing generation is reduced to the level of illiteracy. The

¹ A. Weber, *Die Krise des modernen Staatsgedankens in Europa* (1925), p. 103 et seq.

² A full documented survey of the methods employed is given in *The German New Order in Poland* (1942). Its main parts reveal the pattern of destruction (Pt. I, Massacres and Tortures; Pt. II, Expulsion of Polish Population from the Land; Pt. III, Persecution of Jews; Pt. IV, Pillage of Public and Private Property; Pt. V, Economic Exploitation of Polish Territories and Resources; Pt. VI, Religious Persecution; Pt. VII, National Humiliation and Degradation; Pt. VIII, Destruction of Polish Culture).

machinery of government is destroyed, and a German Gauleiter administers the conquered country as a province. The spiritual sources of national strength are cut off. Both the Churches and religious worship are persecuted. National history is obliterated, national literature and music is banned, and the unity of language is destroyed as far as possible. The potential nucleus of revolution, the class of industrial workers, is eliminated by deportation, dispersal and permanent supervision, while the new generation is diverted to agricultural labour and unskilled work. Accordingly the country is deindustrialised, except in so far as its industry is indispensable for military purposes.¹ More than that, potential revival is countered by a deliberate policy of semi-starvation and, in some cases, mass murder and sterilisation. At the same time, compulsory mass migration and colonisation takes place. Fertile areas are settled with stock of German or kindred race, while the native peasant population is reduced to the status of a feudal "villain" in so far as it is not deported. At the same time, the danger of a revival of national unity among all classes is fought by exploitation of social antagonism, giving a small group of industrial and financial interests in the conquered country a share in the profits of work for the conqueror.²

Thus far nothing more has been proved than the development of imperial conquest at the expense of a weaker national State to the point of systematic destruction of the sources of strength of the conquered national State.

Rosenberg's assertion, for example, that the rights of other peoples to national independence could be recognised only in so far as they did not clash with the "radiations" (*Ausstrahlungen*) of the German people,³ is only a continuation of Treitschke's claim that the right of the German nation to live did not permit to examine whether other populations desired to change their allegiance or not.

- But the crisis of the national State as a result of the policy

¹ For an official German confirmation of this policy see the Goering-Frank documents, reproduced in *The German New Order in Poland*.

² The prominent example is France where social antagonism against the organised working class as the champion of anti-Fascist action and long-established links between complementary German and French business interests are used to turn French banking and industrial interests into German agents. Cf. article in *The Times*, July 31, 1942, and below.

³ *Mythos des XX. Jahrhunderts*, p. 644.

of modern totalitarian Imperialism goes deeper than that. The strength of the national State lies in the harnessing of the forces of national cohesion to the power of the modern State. It is this alliance which is deliberately destroyed, by the forces of Imperialism, as an impediment to the establishment of super-national Empire. This process is not confined to the conquered nation. It extends to the conquering nation and to the very idea of the national State itself. This deep antagonism between totalitarian Imperialism and the principle of the national State has not yet been sufficiently recognised.¹ It is commonly believed that German, Italian or Japanese Fascism mean the supreme exaltation of the nationalist movement in these countries.

Finally nationalism combines all the other elements of totalitarian philosophy into a reasonably coherent whole. Thus nationalism, reinforced in Germany by racialism, becomes the basic idea into which all the other elements of national dictatorship are cemented, and which is used to justify the interference of the State in all spheres of life, public and private. The national state is elevated, as in the teaching of Hegel, into an eternal, all-embracing, and all-powerful entity. . . .²

Such an interpretation is based on the published professions of Nazi and Fascist philosophy. These have, however, been corrected by the very valuable account of intimate conversations between Hitler and his confidants, given by a former member of that circle³ and, above all, by the practical demonstrations of Fascist and, in particular, National Socialist empire-making in conquered Europe. This reveals a very different picture in which national socialist philosophy and policy appears as a destroyer, not as a champion of the national State. The following utterances by Hitler, as reported by Rauschning, appear all the more genuine as they have been entirely confirmed by subsequent Nazi policy :

. . . Nations are the outward and visible forms of our history. So I have to fuse these nations into a higher order if I want to get rid of the chaos of an historic past that has become an absurdity. . . . Just as the conception of the nation was a revolutionary change from the purely dynastic feudal states, and just as it introduced a biological conception, that of the people, so our own revolution is a further step,

¹ Cf. "Nationalism and the Nazis" in *The Times*, September 26, 1942.

² *Nationalism*, pp. 213-14.

³ Rauschning, *Hitler Speaks*, 1939.

or, rather, the final step in the rejection of the historic order and the recognition of purely biological values.¹

The new society which Hitler envisages is conceived as a revolution as significant as the French Revolution which initiated the triumph of the national State. The new revolution is to bring about a revival of a functional society which, like the medieval society, cuts across nations and determines the position of groups and classes according to functions.

In a natural order the classes are peoples superimposed on one another *in strata*, instead of living as neighbours. To this order we shall return as soon as the sequels of Liberalism have been removed.²

It is a hierarchical society the different layers of which must, if necessary, be kept in complete isolation from each other. It is true that people of German stock are allotted the principal though not the exclusive part in the top layers of this society. But this is simply because, on racial "pedigree" grounds, they are, in association with other people of Nordic stock, considered as fittest to rule.

But the day will come, when we shall make a pact with these new men in England, France, America. We shall make it when they fall into line with the vast process of the re-ordering of the world. . . . There will not be much left then of the clichés of nationalism, and precious little among us Germans. Instead there will be an understanding between the various language elements of the one good ruling race.³

Every essential factor of national cohesion is deliberately destroyed in Hitler's idea of the new society. The unity of a tradition and loyalty which binds different classes is a vital element of Nationalism. Instead classes, not separated by wealth or descent, but by function, must be kept separated. The class of leaders is to be bred, according to Darre's principles, by a fusion of German and other Nordic stock according to pedigree principles learnt from Hanoverian horse-breeding.

There will be a *Herren*-class . . . there will be a great hierarchy of party members. There will be the new middle class. And there will be the great mass of the anonymous, the serving collective, the

¹ *Hitler Speaks*, pp. 229-30.

² *Loc. cit.* p. 228.

³ *Hitler Speaks*, p. 230.

eternally disfranchised, no matter whether they were once members of the old bourgeoisie, the big land-owning class, the working class or the artisans. . . . But beneath them there will still be the class of subject alien races.¹

The breeding is supplemented by the training of a leader class in the icy isolation of Ordensburg.

In my Ordensburg a youth will grow up before which the world will shrink back. A violently active, dominating, intrepid, brutal youth. . . .²

In the industrial organisation of the new empire, the German skilled worker has been given the function of foreman and highly skilled worker, mainly in the heavy industries. Correspondingly, the German industrial magnate and banker becomes the executive agent of the Nazi Government in the integration of the different branches of economic life. Thus I. G. Farben controls the chemical industry of Europe, the Hermann Goering works much of the iron and steel industry, the German Grossbanken control Continental finance and currency. But corresponding classes of other countries can be associated, and it is the deliberate intention of Nazi empire-makers to associate such interests in the exploitation of the Continent, so as to hamper the union of national resistance. As pointed out above, this applies particularly to the collaboration of German and French interests. The society of the Nazi empire is planned as an international class society. This may seem paradoxical, in view of the fanatical fight against class divisions and Marxism in Germany.³ It is, in fact, no more paradoxical than the apparent contradiction between the Nazi campaign for national self-sufficiency and the international character of their economic planning. Both were campaigns devised and carried out as essential parts of preparation for totalitarian war. Both an obedient and unified population and a national

¹ *Hitler Speaks*, p. 50.

² *Loc. cit.* p. 247.

³ Point is lent to the anti-national character of Nazi-Imperialism by the recent capture in Libya in 1942 of an official document in which the function of the SS. Guard is described as being the keeping down of any revolt of the "proletariat", which includes German as well as foreign workers. It has been computed from German sources that — quite apart from the millions of foreign conscript workers — large numbers of German workers have been sent as forced labourers from one place to another in Europe (cf. "Fascism", 24, iii, 1943). This clearly reveals the hypocrisy of the claim to have substituted national unity for class struggle, and the international class character of the Nazi empire.

economy able to stand the stress of war preparation and the first stages of warfare were needed. But they expressed no more the final philosophy of National Socialism than its hymns on national independence, freedom from encirclement and the right of the German nation to have its own life, without interfering with that of others, represented in any way its true intentions.

The aims of the men who direct the most gigantic and efficient war machine ever devised, with eighty million highly disciplined people as its most vital part, are entirely concentrated on the craft of handling the modern mass, in the pursuit of power. Few will deny today the correctness of Hitler's remark¹ that it was his task not to improve men but to exploit their weaknesses. Such men are entirely free from ideology, Nationalism as much as any other, though they need idealistic phraseology as a means of propaganda and deception. It is a measure of the mastery attained in their craft that the Nazi leaders have succeeded in presenting themselves as champions of Nationalism even to highly trained and critical students of international affairs.

Finally and most important of all, the policy and method of totalitarian Imperialism has systematically destroyed the union between Nationalism and State without which the national State disintegrates. The analysis in the first part has stressed the tension between Nationalism and State authority, resolved with varying success by the restraining, disciplining and shaping of national movement through State organisation. To the unity of people the State adds unity of territory and unity of government. Without this restraining dam Nationalism easily becomes a dangerous and unrestrained flood. Hitler's National Socialism has released this flood. The *Handbook for the Hitler Youth* (1937) sets out the concept of the German nation as being three-fold: German State, German *Kultur* and German language. The manifold German *Auslandsorganisationen* have translated this teaching into practice. All over the world energetic attempts have been made to weld people of wholly or partly German origin and of German *Kultur* into separate communities with loyalty to Hitler's Germany taking precedence over their loyalty as citizens of the State of their constitutional allegiance. The concepts of German origin and German *Kultur* are so elastic as

¹ As reported by Rauschnig, *loc. cit.* p. 271.

to be capable of extension according to need. People may be declared German, on analogy with the anti-Jewish legislation of 1935, if they have a single German grandparent. As to the area of German *Kultur*, there are few areas in the world which a Nazi historian would not claim as being a German *Kultur* area. Even given a measure of restraint, such teaching is calculated to undermine national allegiance in such States as the U.S.A., U.S.S.R., Brazil, Chile, not to speak of the whole of Central and South-Eastern Europe which forms already part of the Nazi Empire. *Prima facie*, the disruption of the national State is one-sided, confined to foreign countries, for the benefit of greater Germany. But the dialectic of such teaching is not likely to be arrested at that point. A generation which is taught to regard the citizen's loyalty as flexible and a nation as spread all over the world, is bound to lose the deeper meaning of Nationalism. Nationalism without the State is a dangerous dynamite while a State without Nationalism must rest on sheer coercion. Moreover, the National Socialist theory of Nationalism may very well recoil against its inventors. As Renan predicted in 1870 the future recoil of German race theory, so the Pan-German movement can be countered by equally potent theories of Pan-Slavism which would affect the large Slavonic element in Eastern Germany, while Latin and Slavonic *Kultur* between them would cover the greater part of Germany.

Thus, there can be no doubt of the destructive attitude of Fascist Imperialism towards the national State.

The constructive counterpart is the international Nazi Empire, with a Japanese Asiatic Empire as the Eastern parallel, empires the limits of which are as yet uncertain but whose outlines are taking shape.

The Nationalist Socialist Empire is an empire politically and economically directed from Germany, based on a homogeneous structure of government, law and social life, under the supervision of the Gestapo and its agents, with dominant and subject classes. These classes are racially determined in so far as Germans will form the core of the dominant Nordic stock and all Slavs are condemned to slavery, while people such as Dutch, Swedes, Norwegians, perhaps French, and possibly Britons, might be given a chance to assimilate themselves,

once they have thoroughly embraced the right creed. But racial stock forms only the basis of the selection. The actual classes of the new society will be bred and educated by rigid selection and under iron discipline, so as to be fit to fulfil the allotted function, and regardless of descent. The new empire is entirely conceived on the basis of a functional society which cuts right across national divisions and separates people within one nation.

Economically, the one-time drive for national self-sufficiency stands clearly revealed as a necessary measure of preparation for war, but not as a principle of nationalist economy. The new economic empire is based on international planning, in which the borderlines between national States mean nothing. Its outline is a Central Europe, mainly consisting of Germany and certain adjacent areas of Czechoslovakia, France, Poland, concentrated on high-class industrial production, and worked by German workers, with the addition of selected workers from other countries. The vast spaces of Eastern Europe are being settled with peasant populations of German and other Nordic stock,¹ while the Slav inhabitants are turned over to subordinate agricultural labour.

"We shall not be afraid to call them the new slave class,"² Hitler said to his intimates a good many years ago. The Balkan countries are to serve as a source of vital raw materials and food-stuffs. Economically, the big German industrial and banking concerns are intended to control the various branches of European industry.

It is not the conception of the modern State as the supreme organisation of coercive authority which is affected by this imperial planning.³ The Fascist State simply extends its territorial and personal domain and the whole appendant machine of government — covering, with totalitarian government, all spheres of life — to wider realms.

It is the national State which Fascist Imperialism discards as

¹ At the time of writing, a large compulsory transfer of Dutchmen to Southern Russia is being arranged. For the increasingly international character of the SS, see *The Times*, July 16, 1943.

² *Hitler Speaks*, p. 50.

³ The contrary contention by F. Neumann (*Behemoth*) proves no more than a different distribution of authority within the Nazi State. This does not mean the end of the State unless it is associated with a particular political ideology.

an outworn ideology. Nor has the appropriate theoretical justification of the alternative ideology failed to appear when needed. The magic word is *Grossraum*, an elastic conception devised by the influential geopolitical movement in Germany led by Karl Haushofer, and designed to legitimate any desired or completed expansion in the name of the space needed for the adequate deployment of national energies.¹ The concept of *Grossraumordnung* has been given a theoretical and quasi-juristic expression by a German jurist who has always been eager to give legal form to a new power concept and justify political authority.

The new ordering concept [*Ordnungsbegriff*] of a new law of nations is our notion of Empire [Reich] based on a racial [*volkhaft*] *Grossraumordnung*² which is sustained by a people. In this concept we have the nucleus of a new way of international legal thinking which starts from the conception of a people, retains the ordering factors of the concept of the State, but can also do justice to the real political forces, which can be *planetarisch*, that is comprise the space of the earth [*erdraumhaft*] without destroying peoples and States and without turning, like the imperialistic international law of the Western Democracies, from the inevitable overcoming of the old notion of State to a universalistic-imperialistic world law.³

The real meaning of this deliberately involved language is the assertion of a Germanic Monroe Doctrine, claiming the right to prevent other Powers from interfering in the affairs of the European continent,⁴ but capable of indefinite expansion, according to need.

THE EMERGENCE OF NATIONAL MOVEMENTS AMONG NON-EUROPEAN PEOPLES

The spread of national movements to non-European peoples which have been, during the nineteenth century, the object of different forms of European Imperialism, whether as a colony-

¹ See further below, p. 138 *et seq.*

² This term defies translation.

³ C. Schmitt, *Volkerrechtliche Grossraumordnung* (1939), p. 87

⁴ Cf. Ribbentrop's note of July 1, 1940. For a discussion of this theory of International Law see Neumann, *Behemoth*, pp. 127-43. There is, however, no reason to take these latest "folk" or "space" theories of International Law any more seriously than previous theories adapted to the changing needs of imperialistic power politics without bounds or end.

(India) or as objects of economic penetration and exploitation (China, South American States), is exercising a profound effect on the struggle between Nationalism and Imperialism. At first the spread of such national movements seemed to signify only an extension of the idea of the national State to countries outside the sphere of Western civilisation, the home of Nationalism. The older national States looked upon the emergence of new national States in Europe with some measure of complacency, or in some cases even active benevolence, because their own expansive energies and interests were largely diverted towards overseas countries.

While there was a field for expansion and conquest elsewhere, political or economic, the European national States had no need to face up to the last consequences of the problem of rival national States of great power and dynamic energies. Such national States as Great Britain, France, Holland, Spain had a double nature. At home they were and are national States, but internationally they are the nerve-centres of empires. Just as the emergence of one predominant national State made the latent conflict of Empire and national State more menacing, so the revolt of suppressed nations presented the need for new decisions to the European national States. The decisions are of a political and a social character. For a national State deprived of political and economic dominions overseas might feel more tempted to acquire additional power and economic resources from another national State. To some, though not to a decisive extent, the aggressiveness of Germany, Italy and Japan was stimulated by the lack of colonial Empire, political or economic. The absence of widespread overseas and colonial interests assisted the concentration of energies upon the destruction and extermination of rival national States and thus of the whole structure of modern Nationalism.

• But apart from this indirect effect — the modern national movements among non-European peoples, in China, India, South America, are more than a mere copy of European Nationalism of a century ago, and point beyond the pattern of the national State. They reflect the shifting of the centre of gravity from the third estate to the fourth estate, from the middle classes to the lower classes, to the "common man" whose voice

in international politics is becoming more articulate and more audible.

The Apra movement in Peru, which is closely similar to the Mexican revolutionary national movement, has formulated the following principal points :¹

- (1) Resistance to "Yankee Imperialism".
- (2) Political and economic federation of Latin America.
- (3) Internationalisation of the Panama Canal.
- (4) Nationalisation of land and industry.
- (5) Solidarity of all oppressed classes and peoples.

It is true that both Congress in India and the Kuomintang in China owe their original support mainly to middle-class commercial interests.² But both have been compelled to widen their basis in order to become really national movements in our time. Congress is appealing to the Indian peasant and workman, and growing influence is exercised by Left Wing social reformers like Nehru, as compared with the rather different social views and connexions of Gandhi ; in China, the Kuomintang and its leader, Chiang Kai-shek, have become fully representative of Chinese national unity only after the end of the feud with the Communist party which represents a large section of the peasantry and the Cooperative movement in industry. The chief link between them is the liberation of China from foreign aggression (Japan) and foreign economic exploitation.

All these national movements, while aiming, in the first place, at the foundation or consolidation of an independent national State, point beyond the purely nationalist aspect by their appeal to the international solidarity of "oppressed classes and peoples".

The national, international and social aspects are inextricably interwoven in the case of the successive Mexican revolutions. The revolt of the impoverished Mexican people against the exploitation of their land, minerals and oil took the form of a national and socialist rising. At the same time, Mexico strongly defended the rights of the "oppressed" anywhere in the world. She was the only Power that openly rejected Non-intervention in the Spanish Civil War of 1936 in favour of support for the

¹ Cf. *The Republics of South America* (1937), p. 164.

² Cf. Nehru, *Autobiography*, p. 366.

Spanish Republic, and one of the first Latin-American States to join the anti-Fascist alliance in 1942.

The desire for economic emancipation from foreign domination provides a strong incentive for regional rather than purely national development, unless the State concerned is like China or India, of continental dimensions. In South America, regional cooperation in economic development has already found concrete expression in the River Plate Conference of 1941, in numerous bilateral treaties, etc.¹ President Vargas of Brazil is reported as favouring a South-American Zollverein. Such a development would almost inevitably entail closer political integration. The rapidly growing nationalist movements in the countries of the Middle East seem to compress even more the different phases of the development of the national State. National independence symbolises, first of all, liberation from foreign economic, military and cultural domination. Nationalism is, so far, almost entirely a preserve of the upper classes as — with the exception of the newly created and more politically conscious Jewish community in Palestine — the working-classes live in too great a state of misery and illiteracy to be articulate. But, at the same time, the consciousness of the political, economic and military insufficiency of the national States that could be created produces super-national ideologies, such as that of a Federation of Arab Moslem States.²

The immediate struggle for the establishment of a strong national State is the first aim in the fight against foreign domination. But a strong element of international social solidarity of the oppressed peoples' economic factors point beyond the national movement. The national State does not appear as an absolute end, as it did for the middle-class Nationalism of the nineteenth century.

¹ Cf. Campbell in *Foreign Affairs*, October 1942, p. 132.

² Cf. the plans outlined by Nuri Said, Prime Minister of Iraq, to Stuart Emeny (*News Chronicle*, June 16, 1943).

CHAPTER III

MARXISM, THE NATIONAL STATE AND THE WORKING CLASS

At the very height of its ascendancy, the ideology of the national State was powerfully assailed by Marxist theory. The Marxist critique of the national State was a threefold one. From its own methodological basis of historical relativism, Marxism was bound to attack the elevation of the national State from a phase in historical development to an absolute ideal. Thus, in Hegel's system it became the apex of a dialectical process built up (logically and historically) from the very elements of existence.¹ For Marxist analysis a nation is a historical category belonging to a definite epoch, the epoch of rising capital. The process of elimination of feudalism and development of capitalism was at the same time a process of amalgamation of peoples into nations.

. . . The formation of Nations, at the same time, signified their conversion into National States.²

. . . In order to achieve complete victory for commodity production, the bourgeoisie must capture the home market, must have politically united territories with a population speaking the same language. Unity of language and unimpeded development are the most important conditions of a genuinely free and extensive commercial turnover corresponding to modern capitalism, of a free and broad grouping of the population in all their separate classes ; finally, they are a condition for the close connection between the market and each and every proprietor and petty proprietor, buyer and seller. The formation of National States, under which these requirements of modern capitalism are best satisfied, is therefore the tendency of every National movement.³

As the national State fulfils the needs of capitalist society as an alternative to feudalism, so it loses its function when capitalism reaches the monopoly stage and turns imperialist.

"Imperialism . . . is the monopoly stage of Capitalism."⁴

¹ *Grundlinien der Rechtsphilosophie*.

² Stalin, *Marxism and the National and Colonial Question*, p. 13.

³ Lenin, *Selected Works*, iv, 250.

⁴ Lenin, *Imperialism, the Highest Stage of Capitalism*.

The other attacks follow from the opposition of Marxism to the twin ideals of Nationalism and State Authority as capitalist devices of mass exploitation ; both these ideologies were being developed to particular intensity in the Germany of Marx and Engels. Nationalism of all kinds is, to Marxism, a device of capitalist domination over the workers. The real community of interests is not between capitalists and workers of one nation, but between the same classes of different nations. Hence the call, in the Communist Manifest, for the proletarians of all countries to unite, in order to fight and overcome the more powerful class combination of capitalist interests, strengthened by their successful use of nationalist ideology. The State accordingly, instead of being, as for Hegel, the " true universal self " of the individual, and thus his real freedom, is an instrument of oppression used by the dominant capitalist class to hold down the working masses. In its opposition to the State of the bourgeoisie society, Marxism went so far as to denounce the State altogether as an instrument of class oppression which would wither away with the advent of the classless society.

These different attacks do not stand or fall together. The exposure of the relativity of the national State as an institution conditioned by and prospering under certain economic conditions is probably better understood today than at the time of Marx and Engels. It has influenced a powerful and growing school of modern thought.¹

In assuming a priority of economic conditions under all circumstances Marxism substituted, however, a political hypothesis of its own for scientific analysis ; it elevated a relative into an absolute. For the predominance of the economic over any other factor, as a history-making force, more plausible at the time when Marx wrote than in our own time, is itself the expression of a particular ideology. The neglect of other than economic factors is largely responsible for the error committed by Marxist thought in regard to the working-class attitude towards Nationalism. At the same time, the Utopia of a classless society caused Marx to regard the State as an instrument of coercion necessary solely in the capitalist society of oppression, but not in the classless society of the future when the means of production

¹ Cf. Carr, *The Twenty Years' Crisis*, p. 87 et seq.

would be owned by the community. The Socialist State, far from being a contradiction in terms, has become a familiar expression, and the Socialist community of Soviet Russia has witnessed a steady strengthening of State authority with all its apparatus of coercion. It might, of course, be argued that the State would have become superfluous had Socialism become worldwide instead of being confined to one country amidst a hostile world. But it is doubtful whether more than a handful of orthodox Marxists would believe in the necessity or even desirability of a withering of the State, even if Socialism became universal. A century of bitter experience has produced among contemporaries a different attitude towards force. Especially after the failure of the League of Nations and the ideology of the League as a pacifist alternative to power, the realisation has spread that every political institution must be backed by adequate force to be effective. Mankind is prepared to pay the price for order, and coercion as such is not thought objectionable by the majority of socialists of today. Nor has the State the objectionable aspect of a spurious ideology used by bourgeois capitalism, when it is conceived not as the "organism in which the life of the parts is embodied" (Hegel) or as an "organism having ends, life and means of action superior to those of the separate individuals or groups of individuals which compose it" (Italian Labour Charter), but essentially as a "method of organising the public power of coercion" (Laski) or as the unification of the complex machinery of law and administration regulating the life of the community.¹ If thus conceived as a device of government, the State can govern an international as well as a national community and loses the dangers of the various romantic and organic theories which, from Novalis to Hegel, Neo-Hegelians and Fascists, have all disguised the power aspirations of modern rulers and ruling classes.

THE STRENGTHENING OF LABOUR NATIONALISM

In regard to Nationalism, too, the analysis of Marxism has proved only partly correct. Of the many competent analyses of

¹ It is interesting to note that Nazi ideology, from an entirely opposite angle, seems to arrive at a similarly sober conception of the State. Having achieved its aim of total

the change in the attitude of the workers towards the national State, the following may be quoted :

Marx's ideas were formulated at a particular date in European economic development, when conditions suggested that the workers had little or no interest in the State. The growth of the social service State, accompanied by the growing dissemination of the ownership of capital, falsified Marx's predictions and rendered out-of-date the attitude which he had adopted. In these circumstances, the better-paid members of the European working class considerably modified their outlook. In the first place they became more interested in using their organisations to further their immediate interests, for instance by improving working conditions . . . in the second place, they ceased to regard the State solely as an instrument of capitalist domination, and in those countries whose constitutional forms were admitting the working class to political power, they began to look forward to the day when they could win control of the State by constitutional means.¹

The effects of these developments became evident when, in the war of 1914, the Social democratic parties of all countries, except Serbia and Russia, voted in favour of war credits.

The improvement in the status of organised industrial labour in the more highly industrialised countries affected the position of the working classes in the national State in a twofold way : it gave that part of labour, not only through better pay, but through relatively greater security of employment, a small stake in the whole political and social fabric of the State, but it also created a rift in the unity of the working class, and thus undermined an essential foundation of Marxist analysis. Economic slumps and modern industrial developments, with their sharper division between skilled and unskilled worker, created a floating unorganised proletariat, sometimes as widely separated from higher paid and organised labour as from employers. Fascist labour policy and legislation is based on an astute exploitation of the desire for security, strong in most members of any community and fostered by the development of a Trade Union

discipline of the masses and wishing to concentrate all loyalty on "Fuehrer", it has no more use for the exalted State idea of Hegelians. Carl Schmitt, with his unfailing flair for the fashion, the trilogy of *Staat, Bewegung, Volk* in 1934. The reduction of government finds expression in many administrative developments, the virtual elimination of the binding force of any law, by decree,

¹ *Nationalism*, pp. 311-12.

on "Bewegung" and of Hegel and Neo-Hegelians. The day, formulated the State to a machinery of the day, culminating in the day 24, 1942.

movement and a Parliamentary Social Democratic party which, in all Western countries, had become respectable.¹ This policy is clearly reflected, for example, in the National Socialist labour legislation of 1933 : it legalised the complete destruction of all labour organisations which, like Trade Unions, reminded workers of the strength of collective action and fight, respectable and law-abiding though they might have become. At the same time, the vast legislation of the German Republic which was designed to give the worker a moderate security of employment and certain guarantees against sudden dismissal, was maintained and even strengthened, a measure all the less costly to the government, as its huge war preparations made the full use of all available labour resources certain. This was coupled with restrictions of free movement of labour ; the wheel had come full cycle : from the servile tenure of the feudal "villain" through the freedom of labour, battling against the vicissitudes of capitalist economy, to the immobility of labour once more deprived of freedom of movement, and under strict discipline.

Similar results have been reached, in Fascist Italy, by the corporative system and the Labour Charter, under which employers' and workers' representatives sit on a common board, with a State delegate as chairman and umpire.

Without the destruction of organised labour movements somewhat parallel developments have taken place in the democratic countries. Even before the present war, which has, however, greatly accelerated this tendency, the need for increased production induced governments to negotiate with the predominant organisations of the employers and labour, in a joint effort, and at the expense of liberal movements and outsiders. More and more frequently, Trade Unions and employers' organisations cooperated in boycotting rival traders or labour organisations, and governments looked favourably upon such developments which suppress or, at least, postpone graver social conflicts and allow the government to maintain an attitude of relative neutrality.² The broad result of these economic and social changes is a split in the social and economic unity of the

¹ They were, for that reason, violently attacked by revolutionaries like Sorel (*Révolutionnaire par la violence*).

² For a detailed analysis of legal developments in Britain, and illustrations from the shipping, wool industry, etc., see Friedmann in *6 Modern Law Review*, p. 1 *et seq.*

working class with a stronger footing of the better situated, organised and more influential section of the working class in the organisation and economic life of the national State.¹

This movement towards a closer association of a majority of the industrial workers with the national State might have been countered by a successful spread of Marxist principles from Soviet Russia as the first big country to adopt a Socialist economy. But it is well known how, in a twenty-five years' development in which it is not easy to assess the respective influence of political necessity (defence of Soviet Russia), a revival of nationalist feeling, and tactical considerations (Stalin's "Socialism in one country first"), Soviet Russia has steadily strengthened the twin forces of State authority and Nationalism,² although she has, at the same time, overcome the strangling effects of political nationalism by the combination of many different national groups in a multi-national State.³

Finally, recent political developments have powerfully reinforced the rally of labour round the national State. In the Fascist countries, labour has been harnessed to the national war effort, and though the destruction of labour organisations and the suppression of any freedom of discussion makes it difficult to assess accurately the present position of the working classes, they have, for all practical purposes, been attached to their national States. In the countries of the Anti-Fascist Alliance the organised working class has been not only a supporter, but the most active agent in the opposition to Fascist aggression. Moreover, two international events have, at least temporarily, healed the split between the forces of the Second and Third International. The first was the Spanish Civil War in 1936, and the second the invasion of the Soviet Union by Germany in 1941. On both occasions, the position of the Soviet Union as the leader of the forces of the Third International reinforced the attitude taken by all Left movements in the world, reformist or revolutionary, in a defence of working-class rights against the assault of a combination of political, military, social and clerical reaction.

Lastly, the rallying of Labour round the national State has

¹ On the position of the "black-coated" workers see below, ch. iv.

² Involving the dissolution of the Comintern, in May 1943.

³ See below, pp. 125-34.

been powerfully strengthened by the invasion of many countries by Fascist States. A German poet, himself of working-class origin, once remarked that "the fatherland's poorest sons are also his most loyal". This has certainly been borne out in the two world wars; for whereas large sections of the wealthier classes have abandoned and betrayed State and nation, the working classes have everywhere formed a centre of national resistance. In the overrun countries of Europe the traitors have come from the professional military (Quisling, Pétain), or from the industrial middle classes (French heavy industry and banking), but workers and peasants, whether in Russia, Norway, France, Belgium, have everywhere formed the centre of resistance. This is a matter that goes beyond the complexities of changing social and economic conditions and leads back to the roots of patriotism.¹

THE NEW INTERNATIONALISM OF THE WORKING CLASSES

Thus far, the development since the early days of the Industrial Revolution and original Marxist analysis seems to point to an almost unmitigated movement of the industrial working class towards closer association with the national State. On one hand, a share in the growing prosperity of the industrial States gave the influential part of the working classes greater security and caused a strengthening of reformist tendencies. Social developments raised the majority organisations of Labour to an important factor in the organisation of the national State. The new totalitarian Imperialism, threatening the gains of the working class, compelled them to rally round the anti-Fascist national States in defence of these rights.

In the non-European national movements the industrial working class is still a comparatively small factor in the State. In China the Communist party, the only large-scale organisation of working people, finds its essential support in the peasant population and derives its strength largely from the rise of the poor peasant against the rich landlord.² But subject to this difference, the position is similar. In China the Communist

¹ On this see below, ch. viii.

² Cf. Chamberlain, *Japan Over Asia*, p. 109.

party, since the reconciliation of Sianfu in 1936, has joined forces with the National Government under Chiang Kai-shek for the common fight against foreign invasion. The situation is more complex in India.

In India the Nationalist movement was from its inception not a proletarian but a bourgeois movement, and its object not a change of the social order but political independence. Landlords, merchants, industrialists, intellectuals united against British rule, though with a variety of motives, and it is only comparatively recently that the Congress movement has "spread beyond the narrow circle of the middle class and affected the masses of the people".¹ At the same time, organised industrial labour is represented by the Radical Democratic party and, to a small extent, the Communist party, both of which place, as an immediate policy, the needs of international defence against Fascism before the completion of national liberation. Thus, in India, the former European position is regained to that extent that organised Labour places a social and international issue before Nationalism; but, contrary to Marxist theory, this internationalism implies joint action with national governments regardless of their class composition and thus a temporary abandonment of class differences.

It would, however, be a gross over-simplification to regard the bulk of the working classes as moving towards the national State. "The alliance between the working classes and the National State has not implied a whole-hearted acceptance of national ideologies on the part of the workers."²

Three factors militate against too strong an attachment of the working classes to the national State:

First, the Second International throughout conserved its mistrust of the aggressive and militant national State and favoured international ideologies and institutions such as the League of Nations, the International Labour Organisation, international arbitration. The Third International never abandoned, at least theoretically, the Marxist ideology of international class solidarity. In 1932 Stalin is reported to have said in an interview to Emil Ludwig:³

¹ Nehru, *Autobiography*, p. 368; Beauchamp, *British Imperialism in India*, pp. 163, 169.

² *Nationalism*, p. 134.

³ Cf. *Marxism, Nationality and War*, ed.^d D. Torr.

The task to which I have devoted my life is to elevate another class — the working class. That task is not to strengthen any National State, but to strengthen a Socialist State — and that means an international State.¹

Second, attention has already been drawn to the international class solidarity aspects of the new national movements in Asia and South America.²

Third, the international alliance against Fascism implies a strong element of international class solidarity, along with the apparent cooperation of the working class with the different national States and social classes. The basis of this alliance is solidarity in the fight for the preservation of acquired liberties. It is, in the first place, a defensive alliance, but capable of turning to the offensive.

After the deep frustration of international working-class solidarity ever since the war of 1914, the Spanish Civil War witnessed a powerful though not immediately successful renaissance of that solidarity in the common agitation of working-class organisations from China to India, Norway to the United States, for support for the Spanish Republic.

The present war has, of necessity, brought about a strengthening of these ties, though they are somewhat smothered under the alliance of a number of national States speaking and acting in the name of their united peoples. Which of these two trends, the alliance of united nations or a modernised revival of the international solidarity of the common people, will prevail, is not yet clear.

Finally a fourth factor, the importance of which is only beginning to be apparent, should not be left out of account: the repercussions of the gradual destruction of imperial economic power upon the internal relations between Capital and Labour. The steady progress of national movements in colonial and other non-European countries, coupled with the emergence of non-European imperial powers such as Japan, is bound to affect the economic structure of many countries, above all those whose wealth, like that of Great Britain, rested upon colonies, overseas investments, exports and international trade. The loss of trade centres like Shanghai and Hongkong, of the control of Malaya's

¹ Whether the dissolution of the Comintern, in May 1943, signifies an abandonment of this aim, or only a change in the method of achieving an international State, remains to be seen.

² Cf. *supra*, p. 56 *et seq.*

tin and rubber resources, of Burma's oil and timber, the partial defaults on South American loans, the loss through war requirements of American, Indian and other overseas investments, the loss of exports to India, Australia, Canada — as these countries build up their own industries, repay their debts and, with the growth of political independence, form other economic ties — these factors are bound to reduce the economic power of British finance and industrial capital in a striking manner. This threatens the limited community of interests which, despite difference of political and social outlook, exists between Capital and Labour in Britain. It may well be that the reduction in wealth and income will revive a social conflict that had lost much of its sharpness while Capitalists and Labour shared, though in unequal measure, the benefits of economic empire.

On the other hand the danger is heightened by the policy adopted in Great Britain and, to some extent in the United States, of appointing leaders of industry and business to key positions in the expanding government control over economic life and resources.¹ It will depend on the respective strength of political authority and economic interests how far the controllers of vital commodities such as steel and iron, rubber, fats, metals, all taken from the leading private enterprises in these industries, will control the government on behalf of private economic interests or become servants of the community, in substance, not only in name. Again, the policy adopted by the governments both of Great Britain and the United States, of creating composite boards² with representatives from employers and workers and State officials, can maintain a precarious balance in war-time emergency but only postpones the problem.

To sum up, a combination of political, social, economic factors, sometimes pulling in the same, sometimes in different directions, has greatly modified the conditions on which Marx and Engels and their successors based their analyses. The effect has not been uniform, but, on the whole, it has been to strengthen the ties between the working class and the national State.³ On

¹ For details regarding Great Britain see *The Economist*, March 28, 1942.

² Such as National Wages Boards, Arbitration Tribunals, etc.

³ On the whole the national outlook seems to have a stronger hold on the leaders of organised Trade Unionism, who regard themselves more and more as a vital part of the National State Executive.

Thus, the President of the British T.U. Congress, in September 1942, substantially

the other hand, recent developments are reviving certain aspects of international proletarian solidarity, though coupled with the national liberation of oppressed and exploited peoples. The future of this development, and with it the issue of Nationalism or Internationalism as the predominant orientation of the working classes, is intimately bound up with the development of the present world war as an international social rather than a national conflict.¹

adopted the theory of Lord Vansittart (Black Record) which condemns the German nation as a whole as the perpetual aggressor, and declared that it would be preferable "to hold 80 million in bondage" than to let the remainder of mankind suffer. This speech which conveniently overlooked the fact that, in this case, not only 80 million Germans, but some 250 million Germans, Italians, Hungarians, Roumanians, Bulgarians, Japanese and Finns, would have to be held in bondage, expresses an entirely nationalist ideology and correspondingly favours national cooperation between the classes as against the fight for social change.

The speeches not only of Stalin, but also of Churchill and Roosevelt (*e.g.* those of February 10 and 12, 1943), on the other hand, stress the international character of Fascism and have never accepted the wholesale condemnation of an entire nation. Some, at least, of the "bourgeois" leaders seem to be less nationalist than some leaders of organised Labour.

¹ The analysis of F. Borkensau — *Socialism: National or International* (1942) — strongly emphasises the increasing attachment of Labour policy — as distinct from Labour ideology — to the national State, but also hints at the international aspects of the recent non-European nationalist movements.

CHAPTER IV

THE DEFECTION OF THE MIDDLE CLASSES FROM THE NATIONAL STATE

THE power and influence of Marxist analysis has kept the question of the relations between the working class and the national State in the limelight of continuous analysis, by Marxists, anti-Marxists and others.

But the corresponding evolution in the position of the middle classes still lacks adequate analysis. On the whole, we have not proceeded far beyond the knowledge that the middle class was the principal supporter of the national State in the formative era, and on the other hand, the Marxist thesis, as developed in particular by Hobson, Lenin and Stalin, that, in the later stages of its development, capitalism has no more use for the national State and turns to the conquest of colonies and Imperialism generally. In the words of Stalin :¹

Capitalism, in search for markets . . . breaks out of the confines of the National State and extends its territory at the expense of near and distant neighbours. The old National States of the West become converted into multi-national, colony owning States.

Yet, events from the outbreak of the First World War to the present make a re-examination of the problem an urgent necessity. The part of the middle class in the new Imperialism of Germany and Japan, in the surrender of France, in the conflict between the policy of American business interests and the policy of the American Government, are but a few dramatic illustrations of a development of vital and fateful importance. We have previously analysed the part played by the various sectors of the middle classes in the strengthening of the national State. We have now to analyse the part played by the same social classes in its weakening.

THE MILITARY CLASS

The modern military class has been powerfully affected by the extension of both national and democratic ideology to

¹ *Marxism and the National and Colonial Question*, p. 100.

military service, in particular through the introduction of compulsory military service in the great majority of modern national States. But every army of a big modern State has had to retain and develop a professional corps of officers, side by side with the conscript soldier who does his one, two or three years' service, and the *Reserveoffizier* (or territorial officer), recruited mainly from the professional classes. The extent to which the latter has been permeated by nationalist ideology greatly depends on its social structure. In every modern State the old, landed aristocracy has maintained a hold on the officer's profession. Where, as in Great Britain, the absence of compulsory service, a traditional mistrust of a standing army, and a strong aversion of the more active elements of society against military service restricted the standing army to a small body, it was natural that the officers' corps would be largely recruited from the landed gentry and their descendants.¹ On the other hand, in France the democratic character of the army and the outward abolition of nobility opened the military career to a wider section of the population. Only a small proportion of the higher officers in the army and navy are descendants of the former nobility. It is in Germany that the hold of the landed gentry on the military profession has remained almost unshaken to the present day. Paradoxically, that hold became stronger than ever under the Weimar Republic when the army, reduced to 100,000 men, was left by a pacifist-minded and weak Republican government in the charge of a proportion of the old officers' class which, cleverly, saw in the development of a highly trained professional army, with a strong proportion of officers, the nucleus of future power and another great army. Often, where tradition and social standards are unbroken, the acceptance of a rising class into a hitherto closed preserve means the mental assimilation of the new elements. Everywhere, including Germany, during the nineteenth century a considerable proportion of officers were recruited from the professional and commercial middle class. This certainly strengthened the superficial allegiance of the

¹ In Britain the continuous replenishment of the aristocracy by the elevation of successful business men, industrialists, civil servants, professional men to the peerage has made the distinction between aristocracy and the middle classes relatively unimportant. The career of an officer has, however, remained a plutocratic reserve almost until the present. Not before 1870 was the system of the purchase of commissions abolished.

military class to the national State, especially at a time when their ways ran on parallel courses, but did not fundamentally affect the outlook of the military leaders.

One of the principal foundations of the internal success of the Soviet Revolution has been the building of a new army and a new military class. One of the principal causes of the collapse of the German Republic has been its failure to do the same. The permanent officers' corps is naturally in a position to exercise decisive influence on the structure and outlook of an army. An officers' corps predominantly influenced, in composition and tradition, by the aristocracy is not intimately allied to the national State unless it has grown with it. The latter has been largely the case in England,

where the original feudal aristocracy was largely destroyed in the course of the process which established the central national government, and where the ranks of the nobility were replenished by recruiting from those very classes — lesser gentry, merchants and royal servants — who had played a leading role in the establishment of the Nation.¹

In France, the democratisation of the country and the army went far enough to reduce largely the military influence of the older nobility. Germany is the outstanding example of a military class whose alliance with the national State was and is largely conditioned by the need of a large army and, therefore, the opportunity of power.

Aristocracy which is essentially connected with the tenure of land, dates from a pre-national, as well as pre-industrial era ; the national idea is not altogether sympathetic to a rigid hierarchy, based on birth. . . .

Moreover, aristocracy represents the vestiges of a local territorial power hostile to the centralisation of government which is essential to nationhood. Consequently . . . aristocrats have not shown themselves markedly susceptible to national feeling. Where the aristocracy has been a privileged and closed caste, the social tension produced between it and other subordinate sections of the community has been a serious bar to the growth of a common national feeling.²

While the national State of Germany was prepared, on a surge of popular feeling, by middle-class intellectuals and put together

¹ *Nationalism*, p. 266.

² *Loc. cit.* p. 265.

by a great statesman, the generals¹ developed the theory of modern war. On the whole the power of the modern national State and the national army meant, to the professional German officers, a new and immensely effective technique of warfare. The German Reich, guided by the conservative Junker Bismarck, did not give much cause for trouble. The German Republic, by leaving military matters entirely in the hands of the old military, despite this act of self-abdication, was only an object of contempt and hatred for those who could hide their sense of humiliation and anger over the destruction of the great German army under an intense dislike for the liberal, democratic and humanitarian ideas of the Republic.

The professional interest in the use of large, well-trained and superbly equipped masses for wars of unheard-of dimensions could combine with anti-democratic and anti-humanitarian feeling in the alliance of the professional military with National Socialism. It is well known that the military leaders of Germany looked upon the Nazi leaders as inferior upstarts. But the link forged by a common hatred against the Republic was immensely strengthened by the prospect of the creation of military forces superior even to those of the Second Reich. The prospect of military power and war-making with a master instrument of professional skill attracted professional interest and an inherited crave for power, command and authority. The heirs of the pre-national, feudal era and the imperialists of the post-national era could unite. Both are cynical towards the national element in the State. Both despise the masses, and therefore can use them effectively. Both contemplate destruction calmly. Hitler is reported to have said that even if he failed he would drag a world in flames with him.² Field-Marshal Keitel is reported to have said that, sooner than not go down to history at all, he would go down as the greatest destroyer of all times.³

Outwardly, the professional detachment and cynicism of the German military class towards the national State is not so apparent while the slogans of Nationalism accompany a victorious Germany. But the abandonment of the national State is more

¹ Clausewitz as early as 1812, Bernhardi, Schlieffen, Moltke, and others.

² *Reuschling, Hitler Speaks*, p. 17.

³ *Reuschling, Makers of Destruction*.

nakedly apparent in the surrender of France by a majority of her military leaders.

It is, of course, possible to justify almost any action as being "for the best of the nation"; nor can the emergencies of military disaster be discounted in judging the action of Weygand, Pétain, Darlan and their military associates. Yet, three facts are incontestable:

First, the knowledge that surrender would mean the lasting subordination of France to an empire dominated by Germany.

Second, Pétain's appeal, fantastic though it was, to his opposite numbers for an "honourable soldier's peace", in other words, the appeal from one professional to another.

Third, the strong antipathy amply proved by the remodelling of the constitution and social life of Vichy France against the Third Republic and all it stood for; its anti-clericalism; its parliamentary democracy; its cosmopolitan tendencies; its liberal education policy. This antipathy, never absent, grew into violent hatred as the social and international ideals of the Front Populaire began to influence the policy of the Third Republic. The rise in the status and influence of organised Labour was no less distasteful than the idea of an international anti-Fascist alliance.

To a resistance born of the revolutionary spirit of the people, a resistance from which could spring at some more or less distant date what they would call disorders . . . to such a resistance they preferred defeat.¹

The military leaders who chose this course, in these circumstances, forsook the nation united in the State for the precarious security of a protectorate in an international empire, and an international order in which the "common man" would be kept in his place.²

THE BUREAUCRACY

The bureaucrat, like the officer, has a certain professional outlook which discourages the more emotional forms of nationalism, and

¹ L. Levy, *The Truth about France*, p. 58.

² The events and actions following the Anglo-American occupation of French North Africa in November 1942, have, up to February 1943, underlined this development, although they have also brought to the foreground some military leaders of the older, nationalist type, like Giraud.

which gives him some measure of common feeling with his opposite numbers in other countries.¹

In this accurate summary of the mental outlook of the trained modern bureaucrat there is clear indication of the detachment with which the professional administrator, like the professional soldier, regards the national State. Yet there are important differences. The professional military has been largely influenced by the pre-nationalist aristocratic tradition ; the modern bureaucracy draws a much larger percentage of its personnel from the educated middle class, and thus from the stronghold of nationalist ideology. The military, though a vital pillar of the national State, stands somewhat aloof from the machinery of government. Thus the modern civil servant has stronger links with the twin elements of the national State than the professional soldier. Yet his particular professional mentality makes him an equally loyal servant of those who are destroying the foundations of the national State as of those who made it. The outstanding characteristic of the modern civil servant, in all highly developed countries, is loyalty to the government regardless of its political complexion.² This, indeed, is commonly regarded as a source of strength for the modern State, and in particular in countries with changing Parliamentary governments, this continuity of the civil service is certainly a steadying factor. The crisis arises when the foundations of government are affected. In one country after another it has happened that the very foundations of the national State have changed and the bureaucrat has been faced with a choice between the principles underlying his education and absolute obedience to the new government. He has, on the whole, decided for the latter. Throughout the nineteenth century it was possible for the civil servant to combine loyalty to changing governments with the preservation of the principles of his class and education, without too great a strain. There are and were, of course, liberal and conservative civil servants, like their governments. There were States tending more towards democracy or autocracy. But taking it all in all, certain principles

¹ *Modernization*, p. 270.

² For the purposes of this analysis the judiciary as an organ of government will be included in the term "bureaucrat", though, for purposes of Constitutional Law, this would not be accurate.

were accepted by all "civilised" national States, principles which made it possible to speak of a "family of nations" and to maintain a system of international law. The foremost of these principles was that no government, German or English, conservative or liberal, would completely control individual life and morality. "Freedom of speech" and "freedom to worship" were increasingly recognised. Family life and education were not too much interfered with. The State became a *Rechtsstaat*; it limited its power towards the citizen, whether in the form of constitutional guarantees (U.S.A.) of the "rule of law" (England) or of a system of administrative tribunals (France, Germany and other Continental countries). Judicial independence was generally recognised and became a principle of international law; a trial of a foreigner which violated it would be considered as an international delict and the government be made responsible.

There are, of course, ways for the civil servant and the judge to hamper or obstruct governments the political or social complexion of which they do not like. Outstanding examples are the *volte-face* of the German judiciary under the Republic claiming for themselves the right to examine the constitutionality of Acts of Parliament, despite their opposite attitude under the Kaiserreich and the absence of any provision giving them that right in the new Constitution; or the interpretation of the American Constitution by the Supreme Court, culminating in the invalidation of part of the New Deal legislation, or the principles of statutory interpretation adopted by the English judiciary, which have wrecked the intentions of many statutory reforms.¹

The ways open to the civil service are less visible, but no less effective. Yet, the stark and inescapable choice came only when totalitarian Fascist governments radically altered the foundations: liberty of conscience, separation of powers, the rule of law, the very impartiality of the State official, be he judge or administrator. In the case of the countries conquered by Germany, the choice was made even plainer by the need to carry on for the benefit of a hostile State. There is no doubt that many individual civil servants or judges have refused to place blind loyalty above everything; but as a class the judiciary and bureaucracy have

¹ For examples see Jennings, 49 Harv. L.R. 426 and 1 Mod. L.R. 111.

chosen to follow the State blindly. As we saw before, the State can be divorced from the nation. The ideology of the strong State, whether *Kulturstaat* or *Machtstaat*, leads to international empire, whether in the name of a mission or for the sake of power pure and simple. The State, conceived as a mere technique of government and coercion,¹ need not fulfil any ideal other than efficiency and authority. Only in combination with the ideology of Nationalism does the national State stand for a distinct political creed. Not only in Germany, where, with the exception of parts of the proletariat and Catholic clergy, no class showed organised resistance to the Nazi Government, but in France and in other occupied countries the civil service seems to have carried on, showing that the training and tradition of obedience to strong authority is the stronger force in a conflict between State-Power and Nationalism.² It is true that the needs of livelihood form the strongest motive in carrying on. But the organised resistance, which, in many countries, has come from clergy, teachers or workers, shows that there are limits to obedience for the sake of living.

To sum up, the civil service, unable, under the pressure of modern developments, to remain both nationalist and loyal to government, has, in most cases, followed the government in power towards empire or towards slavery.

THE INTELLECTUALS

The intellectual class is in a very different position from both military and bureaucracy, as, unlike these, it is not tied to the government by office, function, oath of loyalty. Julien Benda has called them "Clerks" and defined them as follows :³

All those whose activity does not essentially pursue practical aims, but who, deriving their satisfaction from the exercise of art, science or metaphysical speculation, somehow say : "My kingdom is not of this world".

¹ Of which Kelsen's *Pure Theory of Law* is the most logical and uncompromising juridical expression.

² In 1940 the great majority of French diplomatic and colonial officials chose to follow the Vichy Government, mainly because of its formal "legitimacy". In November 1942, they were persuaded to follow Darlan in joining the United Nations, after their military situation. But Darlan had in pose as the representative of Pétain as the head of the French State.

³ *La Trahison des clercs*, p. 54.

It is perhaps a little difficult to include in this definition the free professions such as advocates or journalists, whose part in the development of the national State has been an important one. But the essence of Benda's definition is the detachment from a specific practical function and the independence of mind created by the combination of high mental training and relative social freedom. Benda's accusation is that, after a tradition of thousands of years of detachment from political passions, the clerks have thrown themselves into political passion: "A la fin du 19^e siècle, les clerks se mettent à faire le jeu des passions politiques".

This abandonment of mental and moral detachment for political passion was instrumental in the forging of the modern national State. Fichte, Hegel, Treitschke, Mommsen, Mazzini, d'Annunzio, Kipling, Barrès, Maurras, and a host of others, preached the synthesis of national unity with the strong and militant State with fervour and great success. But the passions, like a flood, were difficult to stop at a particular point. In Benda's analysis, the clerks have really proceeded to glorify the complete realism of a humanity, preparing, in the name of class and nation, for "la guerre la plus totale, la plus parfaite, que le monde aura vue, soit qu'elle ait lieu entre nations, soit entre classes".¹ From the passion for the national State, there developed a passion to find intellectual and moral justification for whatever action those in control of the State would take. The nation was left behind in the process. Though the development was, in no way, confined to Germany, German jurists, historians, economists, philosophers, scientists and priests led the way. The historic right of the German nation to conquer other nations (Treitschke), German Christianity (Reichsbischof Mueller), the right to conquer other nations in the name of International Law (Bockhoff) or to dominate a *Grossraum* (Carl Schmitt), found their parallel in "German" mathematics and the civilisation of the world through German culture. But the process was, though with considerable differences of degree, a universal one. As far back as 1843, Gioberti and other Italian writers proclaimed the unity and continuity of Italian destiny, from the greatness of the Roman Empire, through the greatness of the Catholic Church, to the potential greatness of reviving

¹ *Ibid.* p. 223.

Italian unity, and to its clear mission of re-establishing European civilisation by "acting as a moral centre of action . . . where the source of motion may reside and whence movement may be spread to all its parts as from the centre to the circumference".¹

Though, for reasons outlined in an earlier chapter, this harnessing of intellectual dialectics to the policy of the government has reached its greatest intensity and perversity in the younger national States such as Germany and Italy, this phenomenon is a sociological and international, not a national development.

Between 1914 and 1918 many professors distinguished themselves by the uncompromising fervour with which they embraced the cause of their respective countries. Intellectuals have provided some of the most rabid, as well as some of the noblest of nationalists.²

It is not necessary to do more than refer to the numerous investigations on that subject, provoked, in particular, by the last and the present war.³

Though the weight of modern intellectual ability has been exercised in support, first, of Nationalism, then of Imperialism, and more recently in support of dictatorial power wherever it may lead, it would be one-sided to assert that this has been universally the case. The internationalist ideology of Marxism and its offsprings has been largely the work of intellectuals, and the same applies to a large extent to the League of Nations ideology. Moreover, a considerable weight of intellectual influence, in particular in the Anglo-Saxon countries, has been exercised in support and defence of Christian, cosmopolitan, liberal and democratic ideals.

The treachery of the clerks is not universal. But when all factors are weighed, the fact remains that the majority of the

¹ Gioberti, *Sul Progresso*, trans. in Schneider, *The Making of the Fascist State*, Appendix.

² *Nationalism*, p. 268.

³ War-time "anthologies" are mostly useless, because the selection of material is determined by a propagandist purpose. "Theories designed to discredit an enemy or potential enemy are one of the commonest forms of purposeful thinking" (Carr, *The Twenty Years' Crisis*, p. 91). For illustration of Anglo-Saxon nationalist intellectualism see Carr, *loc. cit.* p. 92 *et seq.*, and *Nationalism*, p. 189. For France: see Benda, *loc. cit.*, *passim*; for Germany: Butler, *Roots of National Socialism*, *passim*; for Italy: Stone, *A Modern Law Review*, 177 *et seq.*; on the jurisprudential aspect: Friedmann, *Law Quarterly Review*, 1942, p. 257 *et seq.*; also *World Revolution and the Future of the West*, *etc.*

intellectuals, by going into the political arena and embracing the cause of the growing national State, have prepared themselves to go beyond the national State when required and to act in support of political power, to become perfect "realists". Developed to perfection this realism becomes nihilism. The seeds sown by Nietzsche, when he declared knowledge to be an instrument of the will to power, have germinated. The effervescence of Nazi and Fascist theoreticians of politics, jurisprudence, military science, goes beyond Nationalism and Imperialism towards visions of destruction parallel to those of their contemporary political and military leaders.

On the whole, the widespread abandonment of national ideals cherished in the nineteenth century, by the professional and intellectual middle classes, is not entirely, or not even predominantly, the result of a conscious betrayal. Rather is it inherent in the dialectic of the position which both classes have adopted during the nineteenth century. This development has been powerfully reinforced by the growing concentration of power in the hands of the rulers of the State. In most European countries the economic depressions following the First World War produced a larger intellectual proletariat: students of all faculties and members of the free professions with little or no prospect in the career for which they were trained. If the Fascist dictators found their principal mass support in the "black-coated" proletariat and, to some extent, in the floating masses of unemployed workers, their articulate supporters came predominantly from those impoverished and discontented lawyers, doctors, teachers, historians, economists, who could find no living in the existing society. Both in Germany and Italy the part played by students and members of the professions is notorious. Self-preservation, the struggle for survival, partly made, partly reinforced ideology. Services were offered to whoever was ready to accept and remunerate them.

Economic pressure works in a different but no less effective manner on those who are, directly or indirectly, salaried by the State. As the State takes control of more and more spheres of public life, private business men, employees and independent professions become direct or indirect State servants. Officials of all descriptions, in the direct service of the State, in local

government, in public corporations, and, to a large extent, the clergy, become dependent for their livelihood on the State. The majority of intellectuals, as university professors or teachers, are in the same position ; for everywhere, except, to some extent, in the Anglo-American orbit, they are salaried by public authority. The silent if often sullen obedience with which the great majority of salaried intellectuals and officials in Italy, Germany, Vichy France and many smaller States have followed the policy of new governments that left no room for half-hearted allegiance or reservations, is not only due to moral and mental defection ; faced with the stark choice between starvation or concentration camp for themselves and their families, and blind obedience, they chose the latter. It is only where the internal change of régime has been the direct result of foreign invasion that in some cases, strengthened by national resistance, whole bodies of officials have faced starvation and imprisonment and torture. Present information from the occupied countries of Europe is too scanty to allow an estimate of the extent to which this has happened. But the example of the Norwegian teachers and clergy, who, along with the Trade Unions, have faced the worst persecutions by refusing allegiance to the Nazi rulers and their agents, the Quisling Government, already stands out as a shining example.

THE BLACK-COATED PROLETARIAT

The ever-growing class of *Angestellten* exercises a very different function in the process of beginning disintegration of the national State. The characteristic of this class is that it shares certain qualities with the industrial working class and others with the middle class, without fully belonging to either. Economic depression, dependence and lack of security range it with the more depressed section of the industrial worker ; the other traditions and habits of life, such as dress, the receipt of "salary" instead of "wages", housing habits and social conventions, divorce it from the industrial workers. Educational and social aspirations are modelled by the better situated middle classes, while the financial status makes the fulfilment of these aspirations impossible. The result of these cross-currents is as

follows: economic poverty, increased by a very widespread social prejudice against Trade Union organisation as a proletarian institution; education half-way between elementary and higher education, with the achievements of the former and the aspirations of the latter; a deep sense of frustration, born of humiliation and yearning for a past or a future that seem unattainable; consequent resentment against all those who seem to have achieved success. The junior clerk of a bank or insurance company, the employee of a store, with practically no prospects of promotion, is envious of the company directors, general managers, the controllers of finance and industry; the struggling small trader hates the chain store; the junior government clerk feels resentment against those in high executive functions. Yet, it is resentment of a kind very different from the class-consciousness of the organised workers. Essentially the millions of the "black-coated workers" are a floating mass. They have not been instrumental in the making of the national State, since they lacked both the economic power of the commercial and industrial entrepreneur and the mental power of the intellectual, both of whom played a vital part in the making of the national State. Nor have they fought the national State or the dominant power in it, as the organised labour movement has. Consequently, this floating mass of "black-coated workers" were destined to become the paramount instrument in the hands of those bent upon destruction of the national State: the modern dictators whose craft is the use of the modern masses.

"My task is not to improve men, but to make use of their weaknesses."¹ The masses of black-coated workers were the best object, since they offered unrivalled opportunities for the exploitation of weaknesses. The stimulation of hatred against carefully selected targets, such as the diversion of resentment felt against big banks, big stores, big industries, towards anti-Semitism,² the promise of a little power as *Sturmfuhrer* or *Blackwart*, and the glittering vision of more power to come for the little leaders as standard-bearers of an imperial power, all these potentialities were exploited with supreme skill by Nazi

¹ Hitler to Rauschning, *Hitler Speaks*, p. 274.

² Necessary because Fascists, like Socialists, are convinced of the need of large-scale production and economic organisation.

and Fascist leaders. Thus the power of resistance of organised labour could be further weakened, and the black-coated proletariat could be the chief instrument in leading a nation towards conquest without end, and thus to the destruction of the national State.¹

THE PEASANT CLASS

In many countries the peasant farmer, as distinct from the big landowner, has been a comparatively passive spectator in the rise and decline of the national State. Subject to an important qualification, it is true that

Peasants remain completely untouched by the intellectual and political elements of modern nationalism. Their love for the land is love for the locality; the intellectual process, which is needed to transfer this into the love of the whole national territory, is often beyond their powers. Their distinctive dresses and customs are local rather than national; they dislike not only the foreigner but also the men from the next village. Anything in the nature of an ideology is foreign to their minds.²

Some sections of the peasant class were strongly against the Weimar Republic, mainly because of its failure to appeal to the peasant element by an imaginative and constructive land policy, and attachment to the land makes the peasant farmer usually anti-Socialist, especially since Socialism has not yet succeeded in overcoming its urban and industrial origin. The Soviet Revolution in Russia has been forced by energetic leaders of a minority of industrial workers upon an originally partly hostile, partly passive peasantry. The preoccupation with the land on which he lives and works, and the lack of a concentration, comparable to that of the town people on one hand, the absence of the power and ambition of the big landowner on the other, makes the peasant farmer on the whole an unsuitable instrument for leadership in the development of the national State, as well as in its unmaking by the new Imperialism. For the peasant farmer and labourer, the land which he cultivates is the primary object of interest and loyalty. A political movement which promises deliverance from the exploitation of landlords will gain his support. But he is inclined to view the socialisation of land

¹ Cf. *ibove*, p. 49 et seq.

² *Nationalism*, p. 274.

with equal distrust. If the Reds in Russia succeeded, on the whole, in gaining the support of the peasantry against the Whites, this was largely due to the stupidity of the White leaders, who identified their cause with that of the hated landlords.¹ The prolonged Nep-policy, from 1920 to 1927, was largely due to the need for pacification and education of the peasantry. Even then the collectivisation of farming was the most dangerous and costly of all the changes of the Soviet Revolution.

But where foreign political tyranny and social exploitation by landlords go together, or are even identical, the peasantry can become a decisive factor in national liberation. This has made the peasantry in the countries under Habsburg and Ottoman domination a vital factor in national liberation,² and any generalisation about the passivity of the peasant towards Nationalism must be subject to this important qualification.

There remains, most important of all, the class of commercial and industrial leaders, the same that, more than any other, helped to build and strengthen the national State. But its position is so bound up with the question of the economic order in the national State that the latter must be analysed first.

¹ Cf. Maynard, *The Russian Peasant*, p. 99.

² Cf. above, p. 29 *et seq*

CHAPTER V

ECONOMIC CONDITIONS AND THE NATIONAL STATE

PRELIMINARY OBSERVATIONS

THE outstanding importance of the economic order in the development of the national State is obvious. Yet no other question is so obscured by theories which, explicitly or implicitly, rest upon a specific assumption about the relation of economic conditions to political institutions. Nineteenth-century thinking, under the influence of both the Free Traders and Marxism, was largely dominated by the belief in the determining force of economic conditions over everything else : political forms, social justice, cultural development. Twentieth-century thinking, under the impact of contemporary events, is inclined to recognise the relativity of such thinking, and the interrelation between political and economic forces. The way in which political and economic forces reacted upon each other in provoking the First World War, or the interaction of political and economic motives in the movement for national self-determination in non-European countries — to choose but two examples — have given food for thought. But before we go any further, the meaning of "economic" and "political" factors should be made clearer. There are writers who seem to deny the significance of such a distinction. Thus Mr. Hawtrey says :

The distinction between economical and political causes of war is an unreal one. Every conflict is one of power, and power depends on resources.¹

This statement seems to confuse two different issues : the separation of economic from military power in modern power conflicts, and the distinction of different motives, forces and purposes in the make-up of individuals and societies. In the pursuit of power, economic and military power are now closely

¹ *Economic Aspects of Sovereignty*, p. 120.[†]

interwoven though the various types of power may still be distinguished for purposes of analysis.¹

But the need to distinguish between "economic" and "political" factors, in the causing of war, or any other development, is just as necessary as the distinction between, for example, religious and sexual aspects in an analysis of a Dionysian festival. Without diagnosis cure is impossible. What the respective influence of economic and political forces is in the causing of modern war is a question of great practical as well as theoretical importance. Analyses of such theoretical and practical importance as Tawney's distinction between the "acquisitive" and the "functional" society,² or Drucker's interpretation of the Nazi Revolution as "the end of economic man",³ presuppose such a differentiation. A German philosopher has defined economic man as "him who in all relations of life puts utility values first"; and the *Machtmensch*, the *Homo politicus*, as "one who puts all values and relations in life into the service of his will to power".⁴ "The buyer in the cheapest market, the seller to the dearest, is the economic man's motto."⁵ Either type is an ideal abstraction; neither often occurs in pure form in life; yet both represent types to which people, societies and the guiding impulses of their life and action approximate. A predominantly "economic" man or class is prompted by predominantly economic, that is utilitarian, motives; a predominantly "political" man or class by predominantly "political", that is power, motives.

Many captains of industry or finance are not "economic" but "political" men using their control over men and resources as a means to achieve power.

It should not be forgotten that the craving for power and prestige dominates to a large extent even individual economic activity, and that acquisition of material wealth is itself often only a means to this unmaterial end.⁶

¹ Thus E. H. Carr distinguishes between three essential aspects of power: military power, economic power, power over opinion (*The Twenty Years' Crisis*, p. 131 et seq.); B. Russell distinguishes and analyses many more forms of power, correlated to different human types (*Power*, 1938).

² *The Acquisitive Society* (1927).

³ *The End of Economic Man* (1939).

⁴ Spranger, *Lebensformen*, 6th ed. pp. 148, 215.

⁵ Loewe, *Economics and Sociology*, p. 53.

⁶ Dr. Loewe in *Nationalism*, p. 244.

The way in which the ownership of the means of production under the capitalist system leads to a *delegierte Kommandogewalt*, a power of command over resources and men, that is political power, has been the subject of a brilliant analysis by the Austrian socialist Renner.¹ Rathenau wrote :

I have never yet met with a business man whose chief aim was to acquire wealth. I will even go so far as to assert that he who is out to make money cannot possibly be a great business man.²

Men like Cecil Rhodes or Karl Helfferich represent the mixture of "political" and "economic" man in one individual, while the number of men who move between economic and political key positions is very considerable. As, with the growth of State control over economic life, "private" affairs become "public" affairs, the fusion of both elements is likely to become more widespread.

An analysis of the changing relations between economic interests and the national State will confirm the importance of this distinction and reveal a gradual shift from a primacy of economic to a primacy of political motives.

THE INTERACTION OF POLITICAL AUTHORITY AND ECONOMIC FORCES

The way is now clear for an analysis of the mutual relations between national State and economic conditions, of the influence which at various times political organisation and economic systems have exercised upon each other. It is, however, unnecessary and beyond the purport of this study to give the full history of these relations. Many distinguished scholars have investigated it. We are concerned here with the question how far economic factors are contributing to a crisis of the national State. It may be either that economic interests are breaking up the national State, from within or without, or that the national State uses economic interests in its development towards super-national Imperialism.

Until recently, frequent tensions between economic interests and the development of the national State did not lead to any

¹ *Die Reichswirtschaft und ihre soziale Funktion* (1928).

² *Reflexionen* (1908).

vital conflict. A distinguished economist has aptly summarised the development of the alliance as follows :

Summarising our results, we feel justified in formulating the general hypothesis that, throughout the history of the National State, vital causal connexions have existed between nationalism and the economic system. The nexus has proved to be reciprocal, although the two chains of causation were of different importance in the successive stages of historical development. Economic interests and the social groups representing these interests belonged to the most influential forces which promoted the rise of the National State and the first awakening of national consciousness. Yet, in achieving a certain institutional and psychological unity, the young National State for its part re-shaped the inherited economic organisation and the human energies employed in its working. In this way the absolute State itself prepared that emancipation of economic forces which, in the form of economic liberalism, broke through the restrictions of State Control and national boundaries, striving for an economic order both individualistic and international. But under the social and technical conditions of industrialism, economic liberalism was soon compelled to call once more on the integrating power of the State in order to secure internal cohesion on the one hand, and protection of immobilised economic interests on the other hand. Both needs combined to make the relaxation of economic and social pressure a primary object of the home policy as well as the foreign policy of the National States.

So long as the favourable conditions of internal growth and external expansion prevailed, this neo-mercantilist alliance between the State and the economic order was kept within bounds which were still compatible with the basic principles of economic individualism. When, however, War and Post-War development reversed these conditions, economic and social stability were shaken so violently that everywhere, even if in varying degrees, national integration has now become the overruling concern even of economic policy. At the same time, the ensuing national *étatisme* is transforming the individualistic order of autonomous economic relations into the more or less collectivist organisation of a new "political economy".¹

On the whole, economic interests and the growing national State until recently reinforced each other, economic interests and State policy taking the lead in turn. Yet, throughout the nineteenth century, the crisis was being prepared which now

¹ Dr. Loewe in *Nationalism*, pp. 239-40.

threatens the foundations of the national State.

Two principal trends of economic development in the nineteenth century are of particular importance for the future of the national State :

- (1) The growing international interests of industry and trade of the principal industrial countries, leading to a wide-spread net of international enterprises, monopolies and cartels, controlling a considerable proportion of international production and markets.
- (2) The economic exploitation of undeveloped countries, either by control of their economic life, coupled with preservation of nominal political independence, or by political conquest.

Both these developments are predominantly economic, spurred by the search for profit. But eventually a point is reached where the pursuit of profit clashes with the principles of Nationalism. This crisis has become evident in some of the older national States, notably Britain, France and the United States, where economic interests were left alone by a liberal ideology and able to take the lead.

A different crisis results where economic interests enter into an active alliance with an aggressive national policy, pursuing profit within a deliberate political plan and as agents of the national State. This has been the development in the more powerful younger national States, principally Germany, Italy and Japan.

Both lines of development, that dominated by the *Homo oeconomicus* and that dominated by the *Homo politicus*, lead eventually to a clash between Imperialism and Nationalism and thus to a crisis to the national State.¹

¹ It must be emphasised once again that the broad distinction between the prevalence of either "economic" or "political" motives as the dynamic force is seldom pure in political reality. Staley (*War and the Private Investor*) has thoroughly analysed the many different ways in which "Diplomacy" and "Investment" influence and reinforce each other. Even at the height of economical Liberalism British or American governments have not been unconscious of the political advantages of economic penetration (cf. for example, statements by Sir E. Grey in House of Commons, July 10, 1914; President Taft, quoted in Ogg, *National Progress, 1907-1917*, p. 263).

On the other hand, the governments of the younger national States have sometimes acted under the pressure of economic interests (a good example is the German annexation of the Spanish Islands. For an account, see Staley, pp. 109-27). But in a broad sense,

Owing to their priority in time and the preoccupation of critical analysis, in particular Marxist theory, with economic forces, the economic bases of Imperialism have been more thoroughly investigated than its political bases.

INTERNATIONAL ECONOMIC INTERESTS AND THE NATIONAL STATE

Different theories, all based more or less directly on Marxist principles, have explained on one hand the development of capitalism to the point where the world is divided between "international monopoly combines" and, on the other hand, the laws by which capitalist interests are compelled to seek domination of foreign markets and countries.

According to Lenin,¹ "Imperialism is the monopoly stage of capitalism". It is characterised by five essential features :

- (1) The concentration of production and capital developed to such a high stage that monopolies arise.
- (2) The merging of bank capital with industrial capital.
- (3) Growing importance of the export of capital as distinct from the export of commodities.
- (4) International monopoly combines of capitalists which divide the world.
- (5) A territorial division of the world between the great capitalist Powers.

How far have international combinations of business and industry, in fact, created an international which is independent of and antagonistic to the national State ?

In this connexion, international economic interests directly

the distinction is a real one and of vital importance for a correct analysis of contemporary events.

"There is to be sure, very little point in attempting to differentiate sharply between political and economic motivations in modern world politics. But from the point of view of the control of policy, it is of some importance to ascertain whether the initiative to decisive action came from interested financial and commercial groups, bringing pressure to bear upon indifferent or reluctant government officials, or from the officials themselves who adapted a line of conduct having no direct relation to private economic interests, but in the pursuit of which such interests could be used as convenient tools" (Schuman, *War and Diplomacy in the French Republic*, p. 62).

¹ *Imperialism, the Highest Stage of Capitalism* (Eng. trans. 1933).

sponsored or supported by governments can be ignored.¹ A tension between autonomous economic interests and the national State can result mainly from the following situations :

(1) Internationalisation of an industrial, business or financial undertaking by establishment of affiliated undertakings in other States, particularly in politically developed States which must be reckoned with as potential political opponents. Well-known examples are the Ford companies in England, Germany, France, Italy, Spain and other European countries ; or the Agfa companies (subsidiaries of the German I. G. Farbenindustrie) in England, the United States, France, Japan, etc. ; or the international ramifications of Standard Oil and Royal Dutch Shell interests. These companies are, legally, nationals of and domiciled in the State where they operate, but subject to financial and, often though not invariably, managerial influence from the head company.

(2) Internationalisation of economic interests by private international combinations designed to control production, prices, exports, etc. The following selected figures about international cartels may illustrate the importance of this type of internationalisation : ²

The Copper Producers' Association, a cartel designed to assist in the promotion of a balance between production and consumption and comprising mainly American, Canadian and African producers controlling 90 per cent of the world output, between 1931 and the outbreak of the present war, limited the output of copper to a fraction of the estimated capacity and maintained sales committees "to eliminate private competition and stabilise the market".

In the case of oil, intense competition and its particular strategic importance prevented agreement longer than in most industries ; but in 1933 agreement was reached between British, American, Dutch and Roumanian interests, controlling 80 per cent of the world's production, with a view to fixing export quotas and stabilising markets.³

¹ For the different forms of such international investments see Staley, *op. cit.* p. 18.

² For a full collection of the relevant material, up to 1938, see Lawley, *Collective Bargaining* (4 vols., 1938). For a trenchant analysis, up to 1935, see Greaves, *Raw Materials and International Control* (1936).

³ The agreement soon broke down ; cf. Greaves, *loc. cit.* p. 55.

For rubber, a control scheme comprising 98 per cent of the world production was put into operation, by cooperation between the growers and their respective governments (Malaya, Dutch East Indies, Ceylon, British India, Burma, French Indo-China, North Borneo, Sarawak, Siam).

The effective control was exercised by the International Rubber Regulation Committee, which gave advice "on stocks, the exportable percentage and cognate matters likely to affect the rubber-manufacturing interests". On May 14, 1931, the chairman of the Rubber Growers' Association in London observed :

The rubber plantation industry is an international industry, its basic price is an international price. Its output can only effectively be controlled by international cooperation.¹

One of the most famous international cartels was created by the International Steel Agreement of 1926 between the steel industries of France, Germany, Belgium, Luxemburg, which were later joined by the industries of Poland, Austria, Hungary and Czechoslovakia and the British Iron and Steel Federation.

The object of this cartel was the regulation of the production of raw steel in the signatory countries with a view to adjusting production to consumption requirements. A committee of directors controlled the allocation of production quotas for the different national groups and limited exports. The output was supervised by Swiss trustees, and provision was made for arbitration.

In the case of tea and tin, as in that of rubber, governments and producers cooperated in the control of the bulk of world production.

There are, then, two types of international cartels : those arising from purely private agreements between the interests concerned, and those with participation of governments. Outwardly the difference between these two types of agreement seems decisive. But, in fact, the participation of governments does not appear to have been due, in any of these cases, to an active influence upon the interests concerned, but merely to a

¹ Quoted in Lawley ; *loc. cit.* ii, 109. The mentality revealed in this statement forms an interesting contrast to the following statement by a leading German banker before the war of 1914 : "International business relations and international security issue must always be merely means to the attainment of national ends and must put themselves in the service of national purposes" (quoted in Staley, *op. cit.* p. 72).

recognition of the economic importance of the particular industry (like tin or rubber in Malaya and the Dutch East Indies). It does not appear that, in any of these cases, the governments which participated did so either in order to subject the industry to international government supervision or to safeguard the interest of the public as consumers.¹

Side by side with the industries thus controlled by international agreement, there are many in which international control has been entirely or partly absent.

(3) A third type of internationalisation of interests consists in loans by private finance capital, on a commercial basis, made to foreign governments, municipalities or private undertakings. The outstanding example is the flood of foreign loans that was poured into Germany after 1924, the principal creditors being American, British and Swiss banks.

Although political trends have powerfully counteracted the development towards Lenin's "international monopoly capitalism", there is, thus, no doubt that the internationalisation of both industrial and financial interests has gone far. Recent events have demonstrated beyond doubt the danger of a clash between international orientation of economic interests and loyalty to the national State.

The refusal of the leading member States of the League of Nations to extend economic sanctions against Italy in 1935 to oil and steel was certainly influenced by the attitude of the interested industries, though the extent to which their influence was decisive may not be finally assessed before all material is made available, especially on the relations between politicians, such as Laval, and the interests concerned.²

The continuation of vital supplies of pig-iron, oil and steel to Japan, at a time when her aggressive plans against Britain, the United States and the Dutch East Indies were known and had been revealed by the Chinese Government, is another

¹ Cf. Greaves, *loc. cit.* ch. xlv.

² One fact is incontestable: after the formal approval of sanctions by the coordinating committee of the League, a proposal to extend the embargo upon exports so as to cover petroleum, iron, steel and coal, was rejected in November 1935. At the same time exports of oil, cotton and other materials from the United States to Italy increased to such an extent that, on November 16, 1935, the Secretary of State issued a sharp statement in which he declared this trade "to be directly contrary to the policy of this Government" (which was sympathetic to League policy, but unable to participate formally, as the United States was not a member State).

example. So is the continuation of supplies of vital raw materials, like rubber scrap and oil, by British merchants to Germany until a few days before the outbreak of war in 1939.

Nor can it be doubted that the huge investments of private foreign capital, mainly British and American, in Germany acted in support of appeasement tendencies, between 1933 and 1939. The economic policy of Schacht skilfully exploited this economic interest by the "Standstill" agreements, which ensured a very gradual and slow repayment, by a system of special "Travel Mark" and "Export Mark", credited from the proceeds of foreign travelling in Germany, and from German exports.

But in all these cases it might be said that there was not so much a direct clash between economic interests and the national State as the moulding of national policy by a dominant economic group. The distinction is a superficial one; for there is in any case direct causal connexion between the prevalence of the economic interest and the destruction of national independence as it has already overtaken France and many smaller States and as it is threatening Great Britain and the United States.¹

There are, however, some examples of an open and direct conflict between an international alignment of economic interests and the declared policy of the State. Two of outstanding and bitter significance might be mentioned:

It is now proved beyond doubt² that French iron ore from Lorraine (3000 tons daily) continued to be supplied via Belgium and Luxemburg (then neutral) to Germany until March 1940. The links were two international companies, the Arbed and the Hadir, joint foundations of German and French industrial combines representing heavy industry (such as Schneider-Creusot, de Wendel, Röchling, Stinnes) and leading banks. This was

¹ An extreme example of complete domination of a National State and its policy by "Finanzkapital" has been given in the well-known analysis of Delaisi, *Les Financiers et la démocratie*. The author describes how the political machinery of France had become a tool of an oligarchy of banks using the investments of the small rent-receiving class for its own purposes: by control of industrial undertakings, large profits on public contracts, by control and corruption of a small number of politically influential advocates; this analysis, exaggerated though it may have been, has received much support from recent political developments in France, both before and after the collapse of 1940. In most cases, however, the mixture of influences, motives and interests is more complex.

² Cf. Frank Hanighen, *Harper's Magazine*, March 1940, and *Renaissance*, August 1941.

only one particularly flagrant consequence of an intimate connexion between German and French industrial and financial interests which went across national frontiers and survived two wars and years of political struggle. It is confirmed by the fact that the only class substantially collaborating with the German conquerors after the collapse of France has been an important section of French industrial and financial interests.¹ A logical development has since led to the "integration" of French iron ore, coal, textile, electric and chemical industries in the new international empire under German hegemony.

On March 27, 1942, the Assistant Attorney-General revealed, in evidence before a United States Congressional Committee, an agreement between the Standard Oil Company of New Jersey and the German I. G. Farben concern by which the parties agreed to an exchange of their patents for the manufacture of synthetic rubber. In pursuance of this agreement, the Standard Oil Company revealed to I. G. Farben its Butyl patent concerning the manufacture of synthetic rubber, which it had refused to disclose to the United States Government. The Assistant Attorney-General also read a cable, dated September 11, 1939, from the same industrial concern to the Japanese Mitsui concern which ran as follows :

Also we fear United States Government in near future may have grounds for action unfavourable to American-Japanese trade. We consider timely for us to organise with Japanese partners whose influence would be valuable later towards re-establishment after any interruption in our trade.

The Assistant Attorney-General further disclosed facts which illustrate the conflict between State policy and international interests described under group (1). He quoted a memorandum of the Standard Oil Company Executive Committee, dated February 24, 1941, which recommended the completion of arrangements with I. G. Farben for the erection of a hydro-generation plant for manufacture of aviation gasoline in Occupied France, the necessary ground-work having been completed with the Standard Française des Pétroles and the French Government. Previously, the German subsidiary of Standard Oil had prepared

¹ Cf. article in *The Times*, July 31, 1942.

plans for the manufacture of aviation gasoline in Germany, in 1938 and 1939.

Mr. Arnold said that the German chemical concern alone had more than a hundred cartel agreements in the U.S.A.¹

No less significant than the open clash between international economic alignments and national State policy revealed in these official disclosures, is the fact that in the case of France nothing is known of any corresponding deliveries by German industries, while in the case of the synthetic rubber agreement it is known that the I. G. Farben was prohibited, by the German Government, from disclosing its own Buna patent.

This well symbolises the clash of two different stages in the relationship between economic interests and national State. Again, German State policy under the Nazis or Japanese policy have not suffered from the handicap of a contrary pressure by economic interests ; for strict industrial control coupled with a rigid currency legislation prevented any interference with government policy, while, on the other side, a liberal or semi-liberal economic system left much more freedom of action. Totalitarian States were thus doubly strengthened : by the inability of any foreign interests to influence national economic policy, and the anxiety of the linked economic interests abroad to avoid political trouble. While Germany under the Nazi Government took measures which fully integrated Ford or General Motor subsidiaries into German economic and political life (by a combination of measures regarding management and personnel, currency restrictions, trade control and a national production plan), the American interests involved naturally viewed with anxiety the prospect of complete severance of relations. At the same time the interests of the financial investors in the maintenance of peaceful relations with Germany was actually stimulated by the *Stillhalteabkommen*. For a continuous flow of foreign travellers could help to ensure the continuance of interest payments and a trickle of capital repayments. The *Homo oeconomicus* (though an ageing and short-sighted version) guided the American and French parties in the agreements just discussed, and it was not until after the entry of the United States into the war that the

¹ For details see *New York Times*, March 28, 1942, which also contains a partial reply by the president of Standard Oil.

Federal Government could secure the disclosure of a vital patent for its own use.¹

The German parties to the agreements, on the other hand, were associated with the policy of the government and co-operated with political authority in the pursuit of political purposes. They contributed to the disintegration of the national State in a different manner : by acting as agents in the foundation of an international empire in which the national State is dissolved.

CAPITALIST IMPERIALISM AND THE NATIONAL STATE

The theory that the law of capitalist economy forces it, after an initial national stage, to seek expansion abroad and exploit foreign markets and countries illuminates a different aspect of the relations between the national State and international economic interests. This theory, too, derives its foundation from the Marxist thesis that capitalist economy means the accumulation of the surplus value taken from labour, an accumulation which cannot find a sufficient outlet within the country. The "under-consumption" theory has been developed in many different forms ; it has found an authoritative and influential exponent in J. A. Hobson, whose conclusions are summed up in the following passage :²

The system prevailing in all developed countries for the production and distribution of wealth has reached a stage in which its productive powers are held in leash by its inequalities of distribution ; the excessive share that goes to profits, rents and other surpluses impelling a chronic endeavour to oversave in the sense of trying to provide an increased productive power without a corresponding outlet in the purchase of consumable goods. This drive towards over-saving is gradually checked by the inability of such saving to find any profitable use in the provision of more plant and other capital.

¹ By a consent decree, which apparently involved the payment of fines by the U.S.A. Government to Standard Oil. Cf. *New York Times*, March 28, 1942.

² *Imperialism*, 1st ed. p. xii. The first edition was published in 1902, under the impression of the Boer War. In the Introduction to the third edition (1938) the author shows himself well aware of the growing importance of "power, pride, prestige" as "prevailing sentiments in an imperialist policy" and, in one passage, even maintains that he is not regarding "the case for an exclusively or even a mainly economic causation of modern wars". Yet, in another passage, he says that the sort of patriotism that can be evoked for aggression on the German, Italian or Japanese pattern, though it has its own instinctive origins, "is fed and directed in its activities by economic motives".

But it also seeks to utilise political power for outlets in external markets, and as foreign independent markets are closed or restricted, the drive to the acquisition of colonies, protectorates and other areas of imperial development becomes a more urgent and conscious national policy. . . .

It will be noted that, apart from pursuing different implications and consequences of the international expansion of capitalism, Hobson and Lenin stress the importance of *Industriekapital* and *Finanzkapital* respectively. This is explained by a difference in the structure of Continental and Anglo-American capitalism. Lenin, as one can gather from his polemics, was influenced by the study of the German socialist Hilferding on *Finanzkapital*. In Germany the part of the banks in the international expansion of industrial interests was an important and distinct one. In Britain and the United States financial capital has probably not been any less influential in the acquisition of international interests, but the distinction was not clearly marked, due to the position of London and, later, New York as international financial clearing centres.¹

Whether the emphasis is on industrial or financial capital, the upshot of Hobson's theory is an economic penetration of undeveloped and politically weak countries, with simultaneous or consequent pressure upon the home government to give political and military protection to these interests. This economic conquest takes different political forms, ranging from occasional diplomatic and military threats to colonial conquest. But in its effects upon the resultant tension between Empire and National State the difference is one of secondary importance.

The following deductions are suggested by recent history : First, economic interests will seek, above all, the penetration of countries which are economically and politically too weak to offer powerful resistance. Conflict between highly developed and powerful national States may eventually follow upon the inability of rival imperial interests to come to an understanding, but the principal objects of modern economic imperialism have been India, Africa, the Middle East, China, South America, the Balkan States, that is, countries or continents unable to resist penetration.

¹ Cf. Robbins, *op. cit.* p. 35.

Private investments, seeking purely business advantage (*i.e.* unmotivated by political expansionism, balance of power strategy, military considerations, or other reasons of state), have rarely of themselves brought great powers into serious political clashes. It is where an aura of political ambitions has attached to the investments, and especially where the investments have been pushed in for political reasons from the start, that most of the dangerous investment frictions between great states have occurred.¹

Second, the question whether economic penetration will lead to colonial conquest, suzerainty, a protectorate or a "sphere of influence", or to nothing more than occasional intervention, depends on circumstances. Where one Power enjoys a sufficient economic and military preponderance, colonial conquest is likely to follow. Where, on the other hand, rival economic interests are protected by comparably powerful States which wish to avoid conflicts, nominal independence will not be interfered with. In China, British, American and German economic interests, before the First World War, could not attempt colonial subjection without grave risks.² They secured protection by a system of capitulations, extra-territorial privileges, occasional joint military intervention, as in the Boxer revolt of 1900, sufficient as long as a divided and corrupt China government was unable to offer organised resistance.

Similarly, it was undesirable and unnecessary to interfere with the nominal political independence of Latin-American States. But a joint "pacific" blockade and bombardment of Venezuela, in 1902, by Great Britain, Germany and Italy, was chosen instead to enforce their citizens' claims for interests in arrear on Venezuelan bonds and injuries suffered during Venezuelan disorders.

In this case, counter-threats by the United States, as guardian of the Monroe Doctrine, eventually led to arbitration before the Hague Tribunal and Mixed Commissions, which allowed one-fifth of the claims originally presented.

The methods which governments have used to render their investments the type of protection described in this chapter range . . . from the most friendly "good offices" . . . through official protests

¹ *Sutley*, *op. cit.*, p. 360.

² The very different method of exploitation adopted later by Japan shows the rise of a new form of imperialism in which political forces take the lead.

and many special varieties of diplomatic pressure (including the withholding of recognition, reminders of war debts or other pending claims, an embargo on loans, trade retaliation) to threats and parades of armed forces and actual use of force. Outright annexation or the declaration of a protectorate have in some cases helped . . . in other cases such indirect methods as financial supervision, customs receiverships, collection of pledged internal revenues, control through economic and financial advisers, have proved sufficiently effective in dominating weaker countries without depriving them of nominal independence.¹

The rise of modern national movements in non-European countries shows the relative unimportance of the political and legal form which economic penetration chooses. National movements of equal strength and consequence have arisen in India, China, Turkey, Egypt, Mexico, Peru. In India the revolt against colonial status was supported by that against foreign economic domination and, more recently, by a social mass movement. Egypt was a British protectorate between 1914 and 1922 and not fully independent until 1936. But China, Peru, Mexico, have never ceased to enjoy all the formal attributes of political and legal sovereignty, such as full diplomatic status or membership of the League of Nations. Yet the national movements which have arisen in those countries are neither less vital nor less fundamental than that of India.

As the national movements broaden and strengthen, the capitalist interests of the older imperial Powers become more cautious and anxious. They turn to the defensive. The nationalisation of oil concessions in Mexico provokes no more than a temporary break of diplomatic relations. Loan defaults in South America or elsewhere no longer produce naval demonstrations or military expeditions. American business interests, happy throughout the nineteenth century with a neutrality policy and law that ensures and protects neutral trade with belligerents, support the isolationist Neutrality Act of 1937. Fear of war prevails over profits.

The initiative now passes to a different kind of imperialism where economic interests work in close conjunction with and under the leadership of political authority.

¹ Staley, *op. cit.* p. 174.

ECONOMIC INTERESTS UNDER THE NEW IMPERIALISM

German and Japanese economic interests developing together with the power of new and militant national States were never allowed, to any appreciable extent, to expand in a manner unconnected with the policy of the State ; the rôles were somewhat reversed. Instead of calling upon the State for protection in cases of international complications, international expansion and complications resulted from joint enterprise.

State policy expressed the view of the most important classes which then dominated the state. It was all the same whether a State department, or the staff of the army and navy or the dominant groups of the empire carried out the policy which combined foreign, military, commercial, industrial or colonial affairs. One spirit united all their activities in a complex whole. The marriage of militarism and capitalism at this time had no opponents who could seriously disturb it.¹

A very similar spirit animated Japan ever since the Meiji Restoration. A joint policy of an exceptionally active bureaucracy and finance produced the rapid and stupendous expansion of Japanese empire within three-quarters of a century.

As soon as such countries as Germany, Italy and Japan had completed the internal consolidation of their political, social and economical structure, they embarked upon deliberate conscious empire-making in which economic interests occupied the position of important executive agents.

The imperial ventures of Germany, Italy and Japan all show this intimate collaboration, with political planning in the lead and economic interests extending their own sphere of influence and profits within a deliberate political framework.

An important feature of this joint politico-economic planning is the use of big banks as financing agencies for international enterprises. In the planning of the Baghdad Railway before the First World War the Deutsche Bank played a leading part, but always in intimate contact with the political authorities and the German plans for dominion in the Near East and the Middle East. The same applies to the activities of the Banca di Roma in preparation of the Italian conquest of Tripoli. Similarly, the

¹ *Bank, Social and Economic History of Germany*, p. 111.

South Manchurian Railway, under the presidency of a prominent Japanese statesman, Matsuoka, became the spearhead of Japanese economic concentration in Manchukuo, in connexion with vast five-year plans, including large-scale colonisation, industrial and agricultural development, planned and directed by the Japanese Government. "Totalitarianism", the coordination of military, political, social and economic policy under a master plan, was thus nothing new to either Germany or Japan, although only the present régimes have purified it from remnants of liberal capitalism and Western ideals and given it a coherent and uncompromising theoretical foundation. Its economic aspect is an intensely political conception, the *Grossraumwirtschaft* of Nazi geopoliticians, economists and jurists. It is a definitely supra-national idea, the concomitant of empire. It means considering spaces, countries, peoples in terms of *Kraftzentren*, of entities that can be coordinated into an economic organism in which raw materials, agricultural and industrial production, different layers of population, are held together regardless of tradition, race, national boundaries.

It is true that the leading industrial concerns of Germany and Japan assume control over their particular industry within the imperial area. Thus the I. G. Farben becomes the centre of European chemical and cellulose industry; the South Manchurian Railway becomes the centre of vast industrial activities in Manchukuo. But they do so as executives of a political empire, enjoying power and profits within the framework set by the imperial planning of the political authority.

VESTED INTERESTS AND WAR

It should now be possible to dispose of certain popular theories which, by over-simplification, have obscured not only a true view of the relation between political and economic forces but also of the respective weight of nationalist and internationalist trends in modern society. The first theory is that "vested interests" deliberately provoke wars.¹ That the clashes of

¹ It is vigorously assailed by Sir Norman Angell (in particular *Preface to Peace*, p. 196); it is defended, though without much conviction, by J. A. Hobson (*Imperialism*, Introduction to 3rd ed.). It is possible that the eminent author of *Imperialism* is still too

economic interests are responsible for much exploitation, suffering and conflict no one can deny. That they are interested in wars is sometimes true, but more often not. As illustrated by previous examples, the economic interests whether of industrial exporters or financial investors will press for political action by the State where the preponderance of power is sufficient to make war improbable. What results in these cases is diplomatic pressure, an intervention, a "pacific" blockade, in short, any measure which the science of International Law tactfully classifies under the laws of peace. Examples of such interventions are the Anglo-French expedition to Egypt in 1882, the joint expeditionary force to China in 1900, the joint demonstration before Venezuela in 1902. But economic and industrial interests will shrink from the unforeseeable complications and ravages of a major war between Great Powers. Nor will governments be inclined to provoke such a war by supporting action, except perhaps as a cover for other motives.

It was in the undeveloped, disorganised Chinese Empire, in the lands on the road to India, Turkey, Persia and Egypt, and in the continent of Africa that the governments stepped to the fore, strove with, by and for British private groups.¹

The same writer observes on the attitude of the French and German governments in the same period :

The manner and extent of the government exertions on behalf of concession opportunity differed . . . according to the character and strength of the government and people within whose domain the concession was sought.²

Recent research has established that neither the Baghdad project nor the Agadir demonstration of 1912, both events

strongly influenced by the conditions existing at the time of its first publication (1902). It is impossible to get a clear picture of the respective strength of the forces at work in our own days, unless one realises the great change in the structure and mentality of capitalism. This "Spontacapitalismus", unwilling and unable to dispense with State support, has turned from aggression to defence. It is bent upon preservation and security of acquired positions, and it has lost the exuberant self-confidence of the early entrepreneur. Its place has been taken by a new political imperialism which knows how to use "the industrialists who were silly enough to subscribe to party funds" (Robbins, *Economic Causes of War*, p. 73).

¹ *Asia, Europe, the World's Banker: 1870-1914* (1930), pp. 97-8.

² *Op. cit.* p. 171.

which led up to the war of 1914, were primarily prompted by financial or industrial interests :

It is well known that the German bankers originally involved in the Baghdad project) were highly reluctant to apply for the concessions and only proceeded to do so after strong pressure from the German government.¹

In the case of the Agadir incident, industrial concessions to the German Mannesmann Werke by the Sultan of Morocco were involved, but, as Professor Staley has shown, they were in no way a decisive factor in the ensuing political complications. To a German historian of that period² it does not even occur, in his circumstantial account, that any but political considerations were involved.³

Recent investigations suggest similar conclusions in regard to the background of the Russo-Japanese war of 1904.⁴

Modern "appeasement" tendencies of economic interests further emphasise this point. The steel and oil interests which opposed effective sanctions against Italy in 1935; the bankers of many countries whose investments in Germany were repaid in dribbles by export agreements and by the crediting of the money spent by foreign travellers in Germany; the motor-car manufacturers who had established companies in Germany — all these were interested in peace at almost any price; nor is there any evidence of the comparatively small section of armament manufacturers exercising contrary influence. They are, of course, interested in a rearmament policy and, perhaps, in minor foreign wars, but not in the major upheaval of a first-class war at home.

¹ Robbins, *loc. cit.* p. 46.

² Brandenburg, *From Bismarck to William II* (1933). For a full account see Earle, *Turkey, the Great Powers and the Bagdad Railway* (1924).

³ In this case the attitude of the German industrialists involved, itself influenced by a mixture of economic motives, prestige and Pan-German clamour, was exceptionally stubborn and short-sighted. The German Government throughout attempted to tone down this intransigent attitude. Moreover the economic interests were divided, as rival German industrialists had important joint interests with French industrialists, through the Union de Mines, and were therefore, like the German Government, though for different reasons, interested in the "open door" in Morocco. The eventual political intervention was mainly an outcome of the generally increasing European tension. For a full account see Staley, pp. 178-95.

⁴ Langer, *Europäische Gesprache*, iv, 279-322; Staley, *War and the Private Investor*, pp. 55-71: for a different interpretation, Brailsford, *The War of Steel and Gold*, p. 31.

There are some borderline cases : the Boer War, and the American intervention in the First World War, were partly due to pressure of vested interests. In the Boer War, British mining interests combined with the political imperialism of Cecil Rhodes. The political background was formed by Cecil Rhodes' Capc-Cairo plan. As long as there were two armed and hostile Boer Republics, the Transvaal and the Orange Free State, the line could not be regarded as secure.

The economic background was formed by the discovery of huge gold and diamond deposits at Kimberley and Johannesburg, the latter in Transvaal. Both political and economic ambitions were combined in the person of Cecil Rhodes, who was one of the heads of the British-South African diamond combine (in connexion with Barnato and Beit) and also Prime Minister of the Cape Colony.

The social background was formed by a clash of two societies : a patriarchal Boer State of farmers, hard-working, rigid, inflexible and hostile to capitalist enterprise ; and a cosmopolitan crowd of miners, financiers and entrepreneurs, eager for profits and the capitalist development of resources.

This mixture of motives and conflicts ¹ vividly expresses the clash of two types of imperialism, an older one, still strong in the semi-liberal economy of the British Empire of that time, with economic enterprise and the search for profit engendering political action ; and a newer type of political imperialism, taking shape in the British Empire under the leadership of Joseph Chamberlain and Cecil Rhodes and coming to full flower with the imperialism of the totalitarian dictatorship. Between them the patriarchal society of self-contained farmers could not survive.

The American loan and supply commitments in the Allied countries certainly gave the lenders and suppliers a stake in an Allied victory. The belief that these interests were decisive in pushing the United States into the war was largely responsible for the isolationist Neutrality Act of 1937, with its "cash and carry" clause.

¹ "In a single individual, Cecil Rhodes, one sees exemplified the complex interweaving of political and economic motives, purposes and methods. . . . He was at once financier and politician, capitalist and statesman, profit-seeker and visionary empire-builder." (Soley, *op. cit.*, p. 195).

Yet, in this case, war had already broken out, and the development of the position of the United States mainly demonstrated the impossibility of isolating economic interests from politics, and the breakdown of a neutrality policy which protected profit-making from other people's war while attempting to preserve political detachment. The isolationist reaction, culminating in the Neutrality Act of 1937, had to give way to a deep and complete entanglement of the United States in world affairs, an entanglement in which the intimate association of economic and political matters is finally confirmed.

Capitalists, whether financiers or industrialists, cannot at the same time pursue international interests, which suffer from war, and demand war; for the one militates against the other. It is not difficult to decide that the bulk of capitalists of today, in internal as in international policy, prefer security to aggression.

But the desire to combine security with profit becomes more and more difficult to realise as the political predominance of the major capitalist powers dwindles and localised wars¹ become more and more exceptional. No doubt a vigorous national rearmament policy appeared to many industrialists as the best means of combining patriotism with business. But while an uneasy peace may be thus maintained for some time, the increasing rearmament of competing national States has invariably preceded war. Nor has the appeasement policy which combined the support of rearmament with economic concessions and supplies to a potential enemy done anything but aggravate the eventual danger of war.

ECONOMIC INDEPENDENCE AND INTERDEPENDENCE

A second myth is that of the growing economic interdependence of nations. This doctrine, which has strengthened many current illusions about the impracticability of war in the modern world, is a legacy from *laissez-faire* philosophy and shares with Marxism the assumption of an autonomous force of economic developments. The assumption remained true as long and to the extent that free trade and *laissez-faire*

¹ Such as that between Greece and Turkey in 1920, or between Bolivia and Paraguay in 1933.

philosophy prevailed. But even then it was limited and conditioned by a certain phase in scientific and industrial development: when science had made possible large-scale industrial manufacture, but not yet overcome the dependence of industry on raw materials many of which had to be imported from other parts of the world. Iron ore, cotton, rubber, tin, oil are examples of raw materials partly or entirely separated from the centres of manufacture. No less important has been the growing dependence of industrialised countries on food supplies from overseas. British agriculture declined as her industrial population was fed on wheat, sugar, meat and, indirectly, concentrated cattle feeding-stuffs from overseas. This international interdependence might have resulted in corresponding political interdependence or an international economic organisation if, and only if, the principles of government had been dominated by ideals of international interdependence.

So long as trade and immigration are free, from the economic point of view, the area of political jurisdiction is a matter of secondary importance. I may attach mystical significance to membership of a certain political community. I may believe that it is important that men of the same blood or political tradition should enjoy a common government. But so long as governmental divisions do not involve interference with the free movement of men, of capital or goods, these are "political" rather than "economic" matters. But once the principles of independent national planning hold sway, the position is changed completely.¹

Government divisions did, however, always exercise sufficient influence to interfere with the free movement of men, capital and goods, and make the struggle for political control of raw materials a major source of conflict. In this struggle the older national States naturally had a lead. The war of 1914 found the world still largely economically interdependent but not politically internationalist, with the Allied Powers in political control of the majority of vital raw materials, and a correspondingly strenuous endeavour of their enemies to reduce this dependence on raw materials.

This initiated a revolutionary scientific and technical development which might, but very probably would not, have taken

¹ *Robbins, Economic Planning and International Order*, p. 93.

place without the political stimulus given by the increasingly intense struggle between the principal Powers of the world. Compelled by the gap between their political ambitions and their control over raw materials, the younger national States (often since described as "have not" nations) proceeded to develop substitutes with amazing success. The process, slowed down between the two wars, has been resumed with increased intensity in the present war, and the change in the strategic position now compels all belligerents to develop it further and further. Only a few of the outstanding developments may be mentioned.

Germany in the First World War, compelled to find substitute nitrate fertilisers, developed the large-scale production of nitrogen from air, and the Leuna-Werke then built are now engaged in the large-scale production of oil from coal, and of synthetic rubber (Buna patent). Italy has developed the manufacture of wool from milk, while timber has become the raw material for the manufacture of such diverse products as car fuel, substitute chocolate and staple fibre for garments. Stimulated by the loss of rubber supplies in the Far East, the United States are developing the manufacture of synthetic rubber (Butyl), and even wider possibilities are opened up by the large-scale extraction of magnesium from sea-water. Britain is manufacturing paper from straw. The technical limits of such developments cannot be foreseen. They are likely to be conditioned by the strength of the stimulus towards greater self-sufficiency by a nation or an allied group of nations.¹ Since most important elements, such as bauxite, are contained in ordinary soil, it is quite possible that

¹ The following letter in *The Times* of August 28, 1942, illustrates the prospects as seen from the point of view of economic nationalism: "British agricultural land, unused to the full and provided with the necessary resources in management, capital and labour, will produce all the food the population of this island requires, or can eat. Synthetic fibres, artificial wool and silk can be produced in this country, in any quantity its population may wish to have. Imported timber can be and is being largely replaced by home-produced reinforced concrete and synthetic plastics, based on coal. Salvage of waste paper greatly reduces our dependence on imported wood pulp. Our own timber resources are capable of great increase in production. Oil for internal combustion engines is today replaceable by anthracite or coke in vehicles designed for the use of producer gas. It can also be supplied in indefinite quantities by hydrogenation of coal or by synthetic alcohol, based on coal. Even rubber . . . can be home-produced as neoprene, buna or other synthetic rubber. . . . If Britain had a 10-years plan of home production of her requirements, she would be able to satisfy perhaps 90 per cent of her domestic requirements. . . ." The vigorous plea, by W. Elliott (*The Times*, June 8, 1943), for planned autarky instead of international trade assumes that international exchange is necessarily unplanned. But this assumption is valid only for a strictly nationalist society of nations.

the extraction of magnesium from sea-water might eventually be followed by the production of vital raw materials from ordinary soil. This is paralleled by the revival of national agriculture. Great Britain has been enabled by widespread mechanisation to increase national food production from 35 to 66 per cent of her total consumption between 1939 and 1942. At the same time biological chemistry continues to discover new nutritive elements in commonplace plants. Rose hips, black-currants, carrots and parsley are found to contain the nutritive values for which mankind thought to be dependent on oranges or other luxurious fruits from abroad.

National self-sufficiency or autarky thus is a more practicable proposition than ever before, and economic interdependence recedes further and further.

It is thus well imaginable that even a comparatively small national State might make itself largely independent of raw materials and foodstuffs from elsewhere, while, at the same time, the growing use of water as a source of power increases the potentialities of relative industrial independence from coal deposits and decentralisation. On the other hand, there seems no prospect of anything like complete independence of raw materials being attainable. Natural soil fertility or rich mineral deposits will always give an immense advantage in terms of cost and labour. Above all, even complete economic self-sufficiency would not diminish, or it might even accentuate, the inequality of power between large and small States. It would thus bring peace no nearer in a world dominated by power politics.

The announcement of an approaching age of national self-sufficiency would be no less an illusion than that of an age of economic interdependence. For either depends on the political and ideological forces which may stimulate the one or the other.

Genuine national or regional self-sufficiency, industrial and agricultural, might be developed by a world of self-contained groups of peoples, living peacefully side by side, with a minimum of economic ties and contacts — a kind of return to *Haus- und Eigenschaft* on a larger scale. But the prospects of such a development are scant, not for economic so much as for political reasons. The drive for national economic self-sufficiency, sponsored, above all, by the Fascist States, far from being a way

towards peaceful national independence,¹ was the first and necessary stage in totalitarian preparation for international Empire and modified as the Empire took shape.

The various political philosophies which dominate international politics in our time are at one in subordinating economic and technical developments to political will. It depends more and more on the latter whether economic conditions will be developed on a national or an international scale.²

The size and the character of the self-sufficient unit are, however, of great importance. Regional or continental self-sufficiency is something very different from national self-sufficiency. Only very few existing States (they are "multi-national States") are of continental dimensions, like the U.S.A. and the U.S.S.R., and they are nearly self-sufficient. Germany and Japan are striving to establish similar compact and self-sufficient units. The resultant five or six *Weltwirtschaftskörper* (Naumann) or *Grossraumordnungen* (*Geopolitik*) would be able to consider inter-continental trade as a luxury to be dispensed with in time of political tension or war. Owing to their resources in undeveloped regions, man-power and industrial capacity, they would be able to remedy vital weaknesses. A continental Empire (excluding Russia) could further develop the synthetic production of oil and rubber, the American continent that of rubber. The U.S.S.R. has already experimented with a rubber-producing plant, and we do not know what substitutes for strategic raw materials, such as copper, tin, nickel, chemical science under the pressure of political stimulus may yet discover. Any estimate of the existing position has only relative value. A new plan of production, a change of political frontiers, concentration of scientific research on a particular object, may rapidly change the position. It is against this background that any existing survey must be studied.³ The comparative advantages of different areas for different economic developments, such as nearness of coal to iron ore or natural soil fertility, constitute one important factor, but by no means

¹ Though this formed, for a while, the favourite tune of some German writers, e.g. Rogge, *Nationale Friedenspolitik*; Sombart, *Deutscher Sozialismus* (1934).

² On that question see below, Pt. II, chs vi, vii; Pt. III, chs iii, iv.

³ Such as the survey on *Raw Materials*, Royal Institute of International Affairs, 1939; or "Degrees of National and Regional Self-Sufficiency", *Bulletin of International Affairs*, April 19, 1941; or the series of articles on "Industrialisation Overseas", *ibid.*, May-July 1942.

the only one or even the prevalent one, at a time when military power, absolute control of labour, modern transport and modern science may offset "natural" advantages. Thus, Germany might be able to offset the cost of 750 miles transport of Ukrainian iron ore to Upper Silesian industry by the command over cheap slave labour.

All that can be said is that, given the purpose of securing the greatest possible material benefit to the greatest number of people in the world, international "unpolitical" exchange economics are likely to be superior to one of self-supporting units. For, however quickly scientific and technical development may proceed, there seems no prospect as yet of any national community being able to completely neutralise the advantage of natural conditions, differences in industrial skill, etc., which only international exchange economics can utilise. But the choice depends on an initial political valuation.

However we interpret the evolution of society, we are bound to discern and to evaluate the conscious motives of men in maintaining or modifying or transforming the social order at every stage. . . . The political, like the economic, thinker must relate the institutions of society to human intentions and social consequences.¹

CONCLUSIONS AS TO RELATIONS OF ECONOMIC CLASSES AND NATIONAL STATE

The entrepreneur of the formative stages of capitalism has thus been subjected to rapidly changing influences in his attitude towards the national State.

The dynamics of capitalist expansion have led to many international interests and alignments which are productive of conflicting loyalties and have caused business and industrial interests, in many cases, to act in a manner detrimental to the existence and welfare of the national State of their allegiance.

But the capacity to do so is conditioned by the degree of freedom of action left to economic interests. It has been steadily reduced, first in the national States which, like Germany and Japan, developed economic resources as part of political strength, and further by the intensified exploitation of all resources which,

¹ MacIver, *The Modern State*, p. 424.

initiated by the totalitarian States, has become a universal feature in the present world war.

While the economic classes are thus more and more harnessed to the policy of the national State, they are at the same time becoming executives and helpers in the imperialistic expansion of some national States. In that rôle they transcend once more the political and ideological foundations of the national State and assume the specified function of a class in an international organisation. This development can be clearly traced in the imperial organisations of Nazi Germany and Fascist Japan. The position is less clear in the older States, which are gradually passing from a liberal economic ideology to a society directed by political planning and integrating the economic forces.

It should be added that, as in the case of the bureaucracy and the intellectuals, the change of attitude towards the national State is the result of economic and sociological development which often precedes a conscious and deliberate change of ideology. The great majority of those who today are instrumental in the abandonment of the national State profess to be nationalists. Many of those business men and industrialists whose economic policy, interests and philosophy caused them to supply vital materials to the mortal enemies of their country were and are ready to fight and die for it, once the opening of direct hostilities had convinced them that there was no other course.

CHAPTER VI

CURRENT INTERNATIONAL IDEOLOGIES

ACCORDING to their philosophy, different schools of thought will disagree about the ultimate moving force in human affairs. How far ideologies are a mere "superstructure" is a question to which a universally satisfactory answer is not likely to be found, since the answer rests on certain ultimate metaphysical assumptions. It is certain, however, that the movement from the national State to new ways of political organisation is characterised by ideologies as well as by economic or social changes, developing together in a closely woven interdependence and interaction.

As the prevalent forces and powers of our times point beyond the national State, so the prevalent political ideologies either express or imply an overcoming of the limiting factors of the national State, though they do so in different ways and with widely differing purposes.

Among the multitude of internationalist ideas and movements that beset a troubled world six seem to stand out: the Fascist International, the ideal of collective security, the multinational State, the Federal Ideal, the Right of Man ideology and the *Grossraumordnung*. A seventh and older international ideology, the ideology of Marxism, has already been dealt with in another connexion.¹

These different ideologies are not all comparable in aims or method; but between them they express the aspirations of an anarchic world that is groping for a new order.

THE FASCIST INTERNATIONAL

The ideology of Fascism is, to a large extent, an afterthought, developed and modified according to changing needs and circumstances in the fight for power. In its earlier stages, both Italian and German Fascists were eager to stress the purely nationalist and defensive aspects of their movements. Mussolini, having

¹ See above, p. 60 et seq.

started first, was first to drop the mask. Though, in 1928, he asserted that "Fascism is not an article for export",¹ he said in 1930, more truthfully, that "Fascism, as regards idea, doctrine, realisation, is universal. . . . One can foresee a Fascist Europe."² National Socialists in Germany were able to translate their power plans into practice at such speed that they could abandon the nationalist ideology of their earlier struggle for internal power, step by step, as conquest proceeded. As, with the subjugation of Czechoslovakia, the farce of national self-determination ceased to be maintainable, *Lebensraum* took its place. As the Empire took shape, the *Grossraumwirtschaft* and *Grossraumordnung* of the geopoliticians were put forward.³ This is where the matter stands at present. There can be little doubt as to the function that any ideology has to fulfil in the plans of Hitler and his associates. It has been shown, in earlier chapters, that the power visions of Nazi leaders are international, not national.⁴ It appears that Hitler envisages an international of National Socialist rulers :

But the day will come when we shall make a pact with these new men in England, France, America. We shall make it when they fall into line with the vast process of the re-ordering of the world, and voluntarily play their part in it.⁵

There is, however, an inherent conflict between the idea of an association of like-minded Fascist States and the imperial hegemony aimed at by every one of the major Fascist Powers. The strategic position of the Fascist Powers requires an alliance between partners linked by a common strategy as well as by a common ideology. Yet the ultimate purpose and logic of Fascist Imperialism demands the domination of one Power or class over the others ; it cannot contemplate equality between several nations or empires in theory or practice. As Mr. Hobson has observed, "the novelty of recent Imperialism regarded as a policy consists chiefly in its adoption by several nations".⁶ Nor does it, of course, contemplate the subordination of several nations or empires under a common rule of law. The uneasy and temporary compromise is the Axis. It is an alliance between Fascist Powers which need each other for military and strategic

¹ *Scritti e Discorsi*, v, 93.

² Cf. below, p. 138.

³ Rauschning, *Hitler Speaks*, p. 230.

⁴ Cf. *op. cit.* vii, 230.

⁵ Cf. above, p. 48 *et seq.*

⁶ *Imperialism*, 3rd ed. p. 6.

reasons, base their alliance upon a community of ideals¹ and are enabled, by the homogeneity of their political, social and economic structure, to cooperate closely. The immediate community of purpose conceals the clash which must eventually result if and when, assuming success, the rival empires face each other — white *Herrenvolk* against yellow *Herrenvolk*. But wherever this clash may occur, and whatever its outcome, "the conception of the nation has become meaningless".² The Fascist International is thus an alliance of aggression which discards the national State without being able to substitute an international alternative other than the absolute domination of one group.

THE IDEA OF COLLECTIVE SECURITY

The League of Nations was not the first expression of the desire to secure peace by an international agreement which would go beyond shifting and temporary alliances. Long before the appearance of Grotius' *De iure Belli ac Pacis* (1625), which established the modern law of nations, projects to secure peace, some of them of revolutionary character, were put forward. As early as 1305 the French lawyer Dubois proposed an alliance between all Christian Powers for the purpose of the maintenance of peace and the establishment of a permanent Court of Arbitration. In 1461 King Podiebrad of Bohemia negotiated with foreign courts for the foundation of a federation of all Christian States with a permanent Congress at Basle. In 1603 Henry IV of France proposed the division of Europe into fifteen States linked in a Federation with a General Council. Of the many more modern projects those of William Penn (1693), of the Abbé de St. Pierre (1658-1743) and of Kant (1795) may be mentioned.³

Why did none of these projects materialise?

Many specific reasons could be given for the failure of every one; but if the League of Nations was the first practical attempt to ensure peace by a general system of collective security, this is due, above all, to the revolutionary change in the range of war.

¹ Though the professed basis of this community, the fight against Communism, was never more than a pretext.

² Hüttenlocher, *Hitler Speaks*, p. 225.

³ For details see Schücking, *Die Organisation der Welt* (1909); also Publications of New Commonwealth Society.

Only then, thanks mainly to the revolution in weapons and transport, had modern war developed to a totalitarian ferocity which shook the lives and security of whole nations, combatants and non-combatants alike, while the power of any one national State proved insufficient to meet the threat.

In 1919 the peoples were awakened. They had learned, many of them through bitter experience, that international affairs were . . . something of immediate concern to themselves and to their lives and fortune.¹

At the same time the development of modern science, and the aeroplane in particular, made a scheme of general collective security a technically practicable proposition. In the period between the two wars, technical arguments were among the many advanced by opponents of the League of Nations idea. Today these technical arguments have collapsed, as the strategic developments of the war make joint military plans and operations between powers separated by continents a daily necessity.

Today the real problem of collective security emerges more clearly as a struggle between the desire of the frightened peoples all over the world for security (President Roosevelt's "Freedom from Fear") attainable only by international military, political and economic organisation, and the forces of which the sovereign national State is the symbol. For the failure of the first system of collective security between the two wars stands now clearly revealed as the failure to transfer the instruments of military and economic power from the national State to the international community, or, in other words, the substitution of international for national sovereignty. This failure was inherent in Art. 16 of the Covenant, which coupled obligatory economic with optional military sanctions and thus encouraged the illusions or the cynicism of "the many who felt that the League might conceivably be worth a few million pounds' worth of trade, but not a few million human lives".² Yet, it should not have needed the Italo-Abyssinian War to demonstrate the absurdity of separating political from economic power, sanctions or risks. If a national State is economically strangled it will fight and compel its opponents either to abandon their economic strangle-

¹ Zimmer, *The League of Nations and the Rule of Law*, p. 290.

² Carr, *The Twenty Years' Crisis*, p. 151.

hold or to support it by military force.

Though the successive failures of the League to act against major Powers, as in the case of the bombardment of Corfu by Italy in 1923, or the Japanese invasion of Manchuria in 1931, were ominous signs, the issue was still open until the disastrous collapse of the League in the Italian invasion of Abyssinia in 1935 established once more the national State as sovereign. Though the drafting of the League Covenant was throughout marked by uneasy compromises between liberty of action of the member States and a half-hearted acceptance of the principle of international responsibility, the possibility remained that the appropriate organs of international authority would eventually be established. For, despite the efforts of some international lawyers to prove the theoretical supremacy of the League Covenant as "higher law", binding upon the national States,¹ the acid test remained the transfer of effective power from the national State to the League as an international authority. The failure of the League to secure, at any time, the membership of more than five out of the seven Great Powers certainly affected its possibilities from the beginning. But, despite this initial and fateful failure, the concentration of sufficient power round the League to coerce a major aggressor still remained possible, and on the only occasion when the League came near to such concentration, the outside Powers were sufficiently impressed to either coordinate their policy (U.S.A. in the Italo-Abyssinian conflict) or at least not to stand in the way (Germany in the first stages of League action in the same conflict). The nearest approach to transfer of power occurred when, in October 1935, the League Assembly instituted a Coordinating Committee authorised to apply sanctions. From this the nucleus of international authority, with its appendage of military and economic forces, might have emerged.² But a little later this hope

¹ Prominent among them are Kelsen (*Problem der Souveränität*, 1920) and Lauterpacht (*Function of Law in the International Community*, 1933).

² As for the peaceful settlements of international disputes, the approach to international legal supremacy never went farther than the acceptance, with many reservations, by a majority of League members, of the "Optional Clause", by which certain types of "legal" disputes were to be subject to the compulsory jurisdiction of the Permanent Court at the Hague. The severe limitation of justiciable disputes, the condition of reciprocity and the many reservations attached to the signatures of the States deprived this kind of measure of all real significance. Cf. on this matter Oppenheim-Lauterpacht, *International Law*, vol. II, 6th ed. § 25, 26.

collapsed, and the sovereign national State fully re-established its authority in the name of political "realism". This "realism" was the joint effort of vested interests, which, in November 1935, prevented the extension of economic sanctions to petroleum, iron, steel and coal; of "realist" statesmen who declared sanctions to be "midsummer madness", and of those who thought that economic but no military sanctions should be applied.

Subsequent events have brought out not only the tragic blindness of this type of "realism", but have made it abundantly clear that "collective security" is incompatible with the sovereignty of the national State. An organisation which, in the words of the official British commentary, "must continue to depend on the free consent, in the last resort of its component states" and "trust in the influence of custom to mould public opinion",¹ means surrender to the sovereignty of the national State,² just as a national law court which would make the enforceability of its judgments dependent upon the consent of the parties would mean the abandonment of the sovereignty of the national State in favour of its component sections. The alternative is not necessarily a fully-developed system of international government, which, as in the substitution of the national State for feudal and local government, may be a matter of gradual development. But an irreducible minimum of power — and "the military and economic weapons are merely different instruments of power"³ — must be transferred to an authority superior to that of the single national States, if "collective security" is to materialise as an institution of international political life as distinct from an occasional and spontaneous concerted action of States.

The renewed and more urgent call for a system of collective security which will remove the perpetual fear of war is all but universal in the Allied countries and has been given expression by their leading statesmen.⁴ Whether its nucleus will be the

¹ Cmd. 151, p. 12.

² This chapter only deals with the legal and ideological aspects, not with the social forces that operate in the name of the sovereign national State.

³ Carr, *op. cit.* p. 152.

⁴ *E.g.* Point 8, Atlantic Charter: "pending the establishment of a wider and permanent system of general security"; Mr. Eden on War Aims, May 29, 1941; Mr. Welles

"Grand Alliance" of the United Nations or a renewed and strengthened League of Nations or a system of regional covenants, a realisation of this demand for security means the abandonment of the sovereignty of the national State.

FEDERATION AND NATIONAL SOVEREIGNTY

Recent years have seen a sudden emergence of a powerful movement for the Federal form of government as the most hopeful and practicable way of partial or universal world government and thus as an alternative to the anarchy of conflicting national and sovereign States. The wave of enthusiasm, initiated by Clarence Streit's *Union Now* (1939), has since somewhat abated, for a number of reasons. While a large number of the fifteen democratic national States envisaged by Streit as the nucleus of World Federation rapidly lost their independence, the difficulties of wider Federation became apparent as soon as the inclusion of partly or wholly non-European nations of overwhelming numerical strength such as the U.S.S.R., the Chinese or the Indians had to be contemplated.¹ Historians and lawyers pointed out that Federal Government is an old and well-tried device, very successful where conditions proved suitable, but no better a guarantee of peace and international order than any other form of government. Federation has succeeded where a combination of strong common interests, such as defence against a common enemy, complementary economic interests, common political, religious or social ideals, geographical continuity, racial kinship, push towards closer constitutional association. In such cases Federal Union implements a desire for closer constitutional links coupled with an equally strong desire of the different States concerned to retain a measure of independence.

The principal weakness of Federal idealism has been that it has, to some extent, put the cart before the horse.² Its champions

on May 30, 1942, and June 14, 1942, Mr. Hull on July 23, 1942; Statements by Allied statesmen in *Rebuilding Europe*, 1942; President Roosevelt on February 12, 1943.

¹ The arbitrariness of schemes excluding any or all of these, in the proposals of Streit (*Union Now*), Jennings (*A Federation for Western Europe*, 1940) or Lord Davies (*A Federated Europe*, 1940), is discussed by Schwarzenberger, *Power Politics*, ch. xxxi.

² "The assumption that a European Community will be created by a European Constitution is putting a cart without wheels before a horse that is not there" (Young, *Federalism and Freedom*, p. 13).

have often assumed that a constitutional and legal device which gives shape to a movement for closer interpretation, based on forces making for social and political cohesion, might itself institute such integration. Or they have too lightly assumed that one link, like that of democratic constitution in Streit's fifteen States, might make good for the lack of community in matters of geographical situation, defence needs, economic ties, etc.

Yet when this weakness is taken into account, the new enthusiasm for Federal Union does give effective expression to a widespread desire for an alternative to the sovereign national State. It springs from the recognition of a social and political community wider than that of the national State and more comprehensive than that of common international defence by collective security. It is thus complementary to the latter, and the expression which it has so far found in the anti-aggression and sanction clauses of the League Covenant and the supplementary proposals for organised international forces.¹ For it rightly sees that a mere system of common defence against aggression forms only one aspect of a wider community of interests between nations. It derives its principal support from fear, which is a strong moving force in times of anarchy and wholesale destruction by war, but is apt to recede in times of greater comfort and security. It also sees that the form of social and economic international cooperation devised in the League of Nations Covenant and attempted in its various non-political organisations, in particular the International Labour Organisation, has suffered from the fatal weakness of lack of authority. Thus the work of the non-political "bureaux and commissions for the regulation of matters of international interest" has resulted in no more than the activities of "a glorified Postal Union",² while all conventions adopted by the International Labour Organisation were subject to the final decision of the different State governments. A Federal Constitution is the expression of a stronger and more lasting link between national States. It sometimes, though not invariably, represents a stage in a development from

¹ On this aspect see the series of monographs published by the New Commonwealth Society; e.g. Lawson, *A European Air Service*.

² Zimmern, *The League of Nations and the Rule of Law*, p. 281.

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² Zimmern, *The League of Nations and the Rule of Law*, p. 281.

a loose association to a unitary State.¹ Though much juristic controversy has been devoted to the question whether and to what extent sovereignty is divided between the Federal and the State governments, the control of two vital matters, foreign affairs and defence, is, in all existing federations, as in all proposals for future international Federations, in the hands of the Federal Government. There is usually divided competence in matters of finance and administration of justice, governed by the broad principle that matters of taxation, justice and commerce concerning more than one member State belong to Federal competence. The division of economic powers of government is the source of much controversy and confusion as well as of great potential development.

At the time when the principal Federal Constitutions, apart from that of the U.S.S.R., such as those of the United States, Canada, Australia, were framed, economic liberalism prevailed, and the need for centralised economic control was neither as widely accepted nor as obvious as now.

But in every modern Federation social and economic crises have powerfully increased the need for remedial measures throughout the realm of the Federation, and this need is gradually prevailing over the formidable resistance of constitutional texts, local separatism and conservative judicial interpretation.

It is interesting to note that the proposers of Federal schemes differ sharply as to the economic and social functions of Federal governments. Federal precedent not yet being clearly established, writers differ according to their philosophy. They range from the ingenious argument that, since neither the Federal nor the States governments could be expected to interfere with these matters, "federation would appear to mean that neither government could have powers for socialist planning of economic life",² to the recommendation of a Federation which could "carry its economic activities up to the Russian level".³ But the majority of modern writers accept some measure of economic

¹ The principal example is the development of the German Confederation, through the Federal Reich of 1870, to the more strongly unified Federation of 1919, and finally the unitary State of Hitler's Germany.

² Von Hayek, "Economic Conditions of Inter-State Federalism", in *New Commonwealth Quarterly*, v, 142.

³ R. Wootton, *loc. cit.* p. 154.

planning as a vital aspect of Federal Union.¹

In the United States, as in Australia, any legislative authority not expressly assigned to the Federal Government belongs to the States, while in Canada the reverse is the case. In the United States the constitutional guarantee of life, liberty and property, in the hands of a conservative judiciary, effectively blocked the first large-scale attempt at Federal social legislation (New Deal).² The Privy Council similarly invalidated the Canadian "New Deal" legislation of 1935, consisting of Federal Laws regarding wages, working hours, the marketing of natural products.³ In Australia the urgent need for Federal priority taxation to meet war expenditure met with stubborn resistance of the State governments. But in the United States the Supreme Court, since 1936 — after new appointments had altered the balance — at last fell into line with the generally acknowledged need for Federal action to deal with some urgent economic and social problems;⁴ in Australia the High Court, in July 1942, held the Commonwealth Government's uniform income-tax legislation valid in its entirety, as a genuine exercise of the Commonwealth Parliament's defence powers, in a war in which "the continued existence both of the Commonwealth and the States were at stake". On this decision Mr. Menzies observed "that it marks the end of the Federal era in the constitutional relations of the Commonwealth and the States, and the beginning of a new era in which the government of Australia must be regarded as much more a unitary Government and much less a federal system than it was previously thought to be".⁵

Though the struggle is by no means concluded, it is thus justified to speak of a "law of increasing Federal activity" and a consequent reduction of State sovereignty in favour of Federal sovereignty. At the same time the gap between the older type of Federation and the more modern type of Federation

¹ Cf. for example Sir G. Young, *Federalism and Freedom* (1941).

² Cf. notably the *Schechter* case (1935) invalidating the code for minimum wages and maximum working hours, and the *Butler* case (1936) invalidating taxes imposed by the Agricultural Adjustment Act for the benefit of farmers curtailing production under a national plan.

³ In several decisions of 1937; cf. Keith, *Constitutional Law*, p. 502; *Canadian Bar Review*, 1937, No. VI.

⁴ Cf. *Steward Machine Co. v. Davis* (1936), 301 U.S. 540.

⁵ Cf. *The Times*, July 25, 1942.

such as the Soviet Union, where the economic planning power of the Federation is a matter of course, is being narrowed.

The Federal movement thus takes its part in the widening of loyalties and the transition from a phase of history in which the national group forms the basic unit of political organisation, to another phase in which different national groups are forged into a bigger unity without losing, as yet, their national individuality. It is, however, mainly the legal and constitutional expression, and by no means the only adequate form, given to developments which take their origin and strength from deeper social forces.¹

¹ On these see Pt. III.

CHAPTER VII

CURRENT INTERNATIONAL IDEOLOGIES (*continued*)

THE MULTI-NATIONAL STATE

Too much attention has perhaps been focussed on the Federal form of government as compared with the problem of overcoming the dilemma of national self-determination.¹ The impossibility, demonstrated again and again, of giving the many closely intermingled national and racial groups freedom and autonomy on the basis of the uni-national State, has brought the problem of the multi-national State to the foreground. The union of different large groups of distinct individuality — whether based on racial, historical, linguistic unity or any of the other factors that make nationality — may, but need not, take place in form of Federal government. Whether it does or not depends on a multitude of historical, social, economic circumstances. Mr. Macartney, an acknowledged authority on the minorities problem in Europe, considers the United Kingdom and the Soviet Union to be the most successful examples of multi-national States.² The former is a unitary State, the latter a Federation.³

In yet a different sense, the U.S.A. has tackled the problem of many different nationalities by their merger in a common political allegiance.

Of these three prototypes, the United Kingdom can provide but little guidance for a future solution of the national problem, in particular in Central and Eastern Europe. For the subordina-

¹ Discussed above, Pt. II, ch. i.

² *National States and National Minorities*, p. 476 *et seq.*

³ This is not admitted by all authors. Thus Dr. Schwaizenberger (*Power Politics*, pp. 410-12) considers the U.S.S.R. governmental system as "Sham Federalism", because of the absence of the "democratic backbone" and its character as a "dictatorship ruled by a coalition between the State and Party Bureaucracy with the Red Army and OGPU". This view attaches too little significance to the cultural autonomy of the States and to the Soviet system as a type of democracy no less genuine than, though different from the Western Parliamentary type. No definition of federal government has been able to lay down more than a general division of powers between central government and "local powers of legislation and administration" (Keith, *Constitutional Law*, p. 21) vested in the States. As shown in the text, the measure of distribution is changing, and the emphasis shifting towards greater central control. As for the test of political democracy, cf. the Introduction to Webb, *Soviet Communism*, 1941 ed.

tion of English, Scots, Welsh to a common political allegiance has been the work of strong government, protracted over centuries and preceding the era of Nationalism. Nor can the United States serve as a model for the solution of the national problem in Europe. The characteristic feature of the American experiment is the fusion of millions of individuals, immigrating singly or in small groups from a multitude of countries, environments, nationalities and races to a new land. This new land provides — or has, at least, provided in the crucial period — space, opportunity of economic development and a large measure of political freedom. The making of the American citizen — a process yet far from completed — has been the result of a combination of these factors; but an indispensable condition has been the atomising of compact national groups by individual immigration.

In so far as national or racial groups have settled in compact areas, they have almost invariably developed certain national characteristics, tending to express themselves in social group habits or even a political attitude. This applies in varying intensity to the Scandinavian groups in Minnesota and Wisconsin and the German groups in Louisiana and the Middle West, to the Italians in New York and, of course, the Negroes in the South. But it is the essence of the United States experiment in citizenship and a condition of its success that a common American citizenship should, to a large extent, break up and overcome these group loyalties.

It is the Soviet Union whose twenty-five years of experimenting with the problem of nationalities provide by far the most important contribution to the problem of nationalities in our time. For the Soviet Government was faced with all the problems that arise in Europe and other parts of the world, *i.e.* India; a multitude of compact national groups,¹ with minorities from other national groups living among them; a multitude of languages and national customs; great diversity in religious beliefs and social habits; an amazing variety in economic resources and development; historical traditions of political greatness and independence; and many vested interests fiercely resisting subordination of their controlling position in

¹ After the loss of Russian Poland, Finland, the Baltic Provinces and Bessarabia, the U.S.S.R. contained, in 1926, 182 ethnic groups speaking 149 languages (Maynard, p. 379).

the smaller unit to the direction of social and economic policy from the centre.

The overcoming of these difficulties has been, in this as in every other sphere of Soviet government, a continual process of trial and error, often accompanied by violence and bloodshed. But it is possible to give a fairly definite judgment on the result of twenty-five years' struggle: firstly, because the edifice has been put to the test by the German invasion of 1941 and 1942, which inundated many non-Russian areas and peoples, notably in the Ukraine and the Caucasus; secondly, because there is little divergence in the opinions of competent students and observers on this aspect of the Soviet experiment.¹

The Soviet Government inherited from Tsarist Russia a tradition of definite Russian supremacy and domination over the non-Russian races and nationalities incorporated in Imperial Russia. It also inherited a country whose industrial, technical and educational development was almost entirely confined to Russia proper² — or rather to some parts of it — and excluded Asia where most of the non-Russian nationalities live. Along with this had gone what one may well call a policy of negative Russification, an attempt to stamp out national languages, not successful mainly because of the general inefficiency of Tsarist government.

It was clear that the Soviet Government would never consider a Federal structure which would leave full economic and social autonomy to component national States. For its most vital principles demand the comprehensive planning of a new socialist society which requires central direction. It could and did find a different outlet for national feeling and development. The encouragement of national feeling has taken two principal forms: the integration of national pride and group spirit in the building of the new society, and the encouragement of cultural Nationalism, through the revival of national languages, literature, art and traditions, in so far as they did not go against the principles of

¹ The most recent and authoritative study is Sir J. Maynard's chapter on Nationalities in *The Russian Peasant* (1942). Among previous valuable studies the following may be mentioned: S. and B. Webb, *Soviet Communism* (1941 ed.), I, 139-60; Kohn, *Nationalism in the Soviet Union*; Batsell, *Soviet Rule in Russia*; Dobb, *Soviet Russia and the World*; Coates, *From Tsardom to the Stalin Constitution*. To these may be added the factual observations of the American engineer, Littlepage, *In Search of Soviet Gold*, and Hallé, *Woman in Soviet Russia*.

² With the exception of Russian Poland.

the new society. This policy has been on the whole consistent, largely owing to the fact that Stalin, himself a non-Russian, the first Soviet Commissar for Nationalities and the author of several pamphlets on this problem, had his heart in this as much as in any goal of the Soviet Revolution. As long as national feeling was made the focussing point of resistance by landowners and other opponents of the Bolsheviks, the new policy could not clearly emerge. Once this resistance was broken it developed swiftly, though national aspirations were at no time allowed to interfere with the social and economic programme of the Union. Cossack traditions were not allowed to impede the collectivisation of farming, nor Mohammedan rites to prevent the emancipation of women. The division of the U.S.S.R. into economic regions was determined not by national boundaries but by considerations of production, strategy, etc. Thus Tashkent, the headquarters of the Central Asia economic region, is not the capital of any of the constituent Republics. But as complement of this policy, the Soviet Government has energetically and, on the whole, successfully striven to reduce Russian supremacy by a "levelling-up" process, by giving the non-Russian races their full share of responsibility in the building of the new society.

This, too, like all major changes in human affairs, was not accomplished without ruthlessness. The American engineer Littlepage¹ observed with amazement both the merciless breaking-up of nomad habits coupled with the transformation of primitive tribes into skilled agriculturists and industrial workers, and the energetic efforts to strengthen the proportion of local and national representatives in all branches of political, economic and social activity. Soviet ideology rejects racial discrimination and works on the assumption that all races and nationalities must be made full and willing partners in the building of the Soviet society. Thus the great Russian predominance has been steadily reduced, though not yet eliminated.² The necessary corollary is an energetic education policy, and it is in this field that Soviet policy has made an important contribution to the survival of national groups. With an active general and technical education

¹ *In Search of Soviet Gold.*

² Cf. the account of Ukrainian developments in Batsell, *Soviet Rule in Russia.*

policy it has coupled a great expansion of education in national languages, art and literature, and has been increasingly sympathetic to the maintenance of national traditions, once the basic issue of cooperation in the building-up of Soviet Communism was assured and national autonomy was no longer a danger as a cloak for anti-Soviet tendencies. The May Day parades have become largely a symbol of the contribution of many diverse races, cultures and traditions to a common ideal and civilisation. Cossacks live and fight again in their traditional uniform and costumes. Once the attachment of the growing generation to the Soviet Union was assured, the development of national pride and achievements — technical, industrial, agricultural, educational — could actually become an asset instead of a danger to the unity of the Soviet Union. For without the higher level of education, initiative and industrialisation achieved by the once backward Asiatic races, the gigantic plan of industrial development, in areas safe from German invasion, which saved the Union in 1942, could not have succeeded.

In some respects the Constitution of 1936 represents aspirations rather than achievements, in particular in the proclamation of individual and democratic rights, which closely follows the Western pattern of "Rights of Man". But there is no reason to doubt its genuineness in the matter of nationalities. For the cooperation of many diverse national groups held together by a central plan and the Communist party is a vital feature of Soviet life, and "Stalin's heart is in the success of his nationalities policy".¹

The Soviet of Nationalities forms one of the two coequal chambers of the Supreme Soviet of the U.S.S.R. It is composed of delegates — elected by direct vote of the Constituent Republics (such as the R.S.F.S.R. or the Ukraine) with twenty-five delegates each, of the Autonomous Republics (five delegates each) and the National Regions (one delegate each) (such as the Jewish Province Biro-Bidzham). Smaller national communities such as diverse groups of Ukrainians or Jews are entitled to form regional Soviets. Each constituent Republic provides one Vice-Chairman. The danger of supremacy of the R.S.F.S.R. as by far the biggest of the constituent Republics is reduced, by increasing the

¹ Maynard, *loc. cit.* p. 396.

proportion of deputies to population in the smaller Republics.¹

Like every Federal Union, the Soviet Union has distributed powers between the Union and the constituent members. But it is obvious that the overwhelming weight of a central economic social and cultural plan gives decisive legislative powers to the Union and, broadly speaking, reduces the functions of the constituent Republics to the executive in the widest sense.

Sir John Maynard has thus summarised the position :

I arrive at these paradoxical conclusions : that the constitution gives little or nothing in the way of actual power to the constituent bodies which are parties to the federation : that the political system is one of intense centralisation, particularly in the vital sphere of finance : that the concessions to local language and culture give a very large part of what national feeling most desires : and that there is such an absence of favour to particular nationalities, and such a constructive effort to make their equality real, that national jealousy and friction are diminished, though not yet eliminated. It is not, except in the sphere of language, liberty : but national *amour propre* is placated : and levelling *up* is in active operation. The Soviet Government has, in fact, reverted to a system more familiar in Asia and in the Balkan Peninsula than in western Europe, which gives cultural, without political, autonomy. Essentially it consists in concession to local religions, local languages, local culture, together with the institutions connected with these three : but the Soviet Government has added an element of active encouragement which is all its own.²

A detailed account of the multi-national experiment of the Soviet Union has been given because its problems are much nearer, in time and conditions, to those of the national groups which, in Europe and elsewhere, will have to rebuild a new society, than those of either the U.S.A. or Great Britain. Britain solved her national problem in the days preceding Nationalism. The U.S.A. grew from elements drawn from all over the world, as to a magnet, to a new country which impressed on them its opportunities, hopes and ideals.

But in the U.S.S.R., as in Europe, there are many different national groups of distinct identity and tradition, and it is entirely a problem of government how to make them live together.

¹ 1 to every 150,000 in R.S.F.S.R., 1 to 100,000 in Ukraine, 1 to 15,000 in Georgia, etc.

² *Op. cit.* pp. 400-401.

✓ Above all, the Soviet experiment demonstrates forcefully that a clear choice between alternatives must be made. It is impossible to "have it both ways", to preserve the political, military and economic sovereignty of numerous national groups and, at the same time, to give military security and develop economic resources. ✓ The Soviet Union has made a clear choice. Since it is committed to the development of a new society and the carrying-out of vast plans which will develop that society, it has reserved full military, political and economic sovereignty to the central government. In return it has given the many different nationalities — provided they constitute sufficiently compact groups — an opportunity to develop their group identity and collective status by the full and equal chance to participate in the building of the new society. The lynch-pin is the Communist party, and its affiliated organisations in which the original supremacy of the Russian element has steadily been reduced and which are more and more composed by nationals of the constituent and autonomous Republics. The uniformity of political and economic organisations is countered by the vigorous development of cultural diversity, through the revival of national languages (along with Russian as the universal official language in the Union) and of national and local traditions, in so far as they do not threaten the political and social principles of the Union.

There has been a careful fostering of those things to which local patriotism attaches itself with a special affection — language, literature, drama, art and local tradition. The system has been one of political centralisation and so-called cultural autonomy, and it has been accompanied by measures, quite foreign to the practice of the Tsarist Government, for levelling-up the economic level in all parts of the Soviet State.¹

Two factors have greatly facilitated the success of the Soviet experiment. The one is that only the breath-taking magnitude of the tasks — political, economic, social, cultural — imposed on all parts of the Union by a central plan, could foster the qualities of competition, initiative and executive ability among the different national units and areas of the Union. It is this mixture of discipline and adventure, of diversity and unity,

¹ Maynard, *loc. cit.* p. 409.

which characterises the Soviet multi-national State. The other factor is that the non-Russian races had been kept in such a state of subordination under Tsarist régimes that to them even the rigidly disciplined freedom of Soviet rule meant an era of new liberty, pride and progress.

In this respect the problem of the national groups in Europe will be more difficult. Poles, Czechs, Serbs, Croats, Hungarians, Roumanians, Bulgarians, Greeks, Belgians, Dutch, Norwegians, have long fought for national liberty from foreign domination and attained it in hard struggle. Under the Axis yoke, national political sovereignty is apt to symbolise the golden age of freedom. Psychologically, they will have to overcome greater obstacles than the peoples of Central Asia and the Caucasus. But, on the other hand, multi-national States in Central or South-Eastern Europe may not have to tackle such gigantic problems as the collectivisation of peasantry, which, of all Soviet experiments, has been the greatest and the most costly, and the opposition against which has often associated itself with Nationalism. To what extent the social creed of the Soviet Union will spread is not a matter to be discussed here. But of its multi-national organisation that admirably careful and detached observer, Sir John Maynard, has rightly observed "that other Governments have something to learn from it, particularly in respect to the device of cultural autonomy for peoples not sufficiently advanced to exercise political autonomy, and in respect to the active levelling-up of the economically backward",¹

It might be added that the Soviet Union has probably come nearer to a solution of the Jewish problem than any other country.² Jews must be good Soviet citizens, like everyone else, and, as such, they enjoy the same rights, as farmers, workers, officials. At the same time they are allowed to cultivate Hebrew

¹ *Loc. cit.* p. 402.

² Whatever may be the future of the Jewish State in Palestine, it can never hope or aspire to be "the" Jewish National State; for it can never aim at incorporating the great majority of Jews, whereas every existing national State does unite the bulk of the members of a national group. If the present crisis of the national State shifts the emphasis from political to cultural autonomy, this applies with even greater force to a Jewish State; for any emphasis on political Nationalism directly weakens the claim and interest of the vast majority of Jews to be recognised as full citizens of the country with which they are associated. A dual cultural and spiritual allegiance is possible; a dual political allegiance is impossible.

and Yiddish, have Jewish theatres and form autonomous regions in which they can preserve group identity and habits.¹

The countries of Central, Eastern and South-Eastern Europe may well choose a more individualist solution of their agrarian problems. But they cannot evade without fatal consequences a solution of the national problems which must seek the survival of national identity in fields other than a precarious political, military and economic sovereignty which is inevitably achieved at the cost of political security and economic development.

There is no theoretical limitation to the multi-national State. Its area and extent is conditioned by considerations of geography, effective government, economic development, political sympathy, etc. Its distinctive feature is the combination of effective and unified central government with cultural autonomy. It implies a distinct and clear abandonment of the sovereign national State, and it is acclaimed by distinguished students of the nationality problem as a way out of the dilemma: "The only true remedy . . . is the un-national State".²

The study group of the Royal Institute for International Affairs observes on the solution adopted in the Soviet Union:

The various pre-existing national languages, cultures, customs and feelings, continue to set up subdivisions among the population of the Union, but allegiance to those subdivisions is not strong enough to deprive the State of adequate cohesion and unity, especially when that unity is reinforced by the power of an authoritarian dictatorship. A new Soviet National feeling, based on common acceptance of communism, seems to be growing up, and if the State can maintain itself for several more generations, the separate national feelings of the White Russians, Caucasians, Turcomans, Tartars, etc. may perhaps become as unimportant as those of the Welsh and the Bretons. The State once again is in process of making the nation.³

Professor Carr draws the conclusion that

- ✓ The existence of a more or less homogeneous racial or linguistic
- group bound together by a common tradition and the cultivation of a common culture must cease to provide a *prima facie* case for the setting-up or maintenance of an independent political unit.⁴

¹ On the position of Jews, see Webb, *loc. cit.* pp. 149-53.

² Macartney, *op. cit.* p. 476.

³ *Nationalism*, p. 289.

⁴ *The Future of Nations*, p. 49; for a similar conclusion, see Cole, *Europe, Russia and the Future*, p. 14.

Thus the development towards multi-national States contributes to the abandonment of the national State as the basic unit of government, "by the novel desire of dissociating statehood from both nationality and race".¹ It is the outcome of a development which has shown the inability of the national State, under modern conditions, to realise the simultaneous freedom of different national groups.

THE RIGHTS OF MAN

The ideal of infeasible "rights of man" has developed parallel with the modern national State. If, at present, the power of the national State threatens individual rights everywhere, the ideas of national and individual liberty did not always clash; they were on the contrary, for a time, both carried and supported by the movement towards liberalism and democracy. Jellinek² has traced the modern declaration of rights of man to the "Declaration of Rights" of a number of American States (between 1776 and 1783) and shown that these provided the model for the French Declaration of Rights of 1789. Their primary aim was "to fix the borderline between State and individual".

The American Declaration of Independence, in its turn, adopted the idea of inalienable rights of man, and from there developed the familiar pattern of a constitutional guarantee of individual rights of which the American Constitution is the most prominent example. But many subsequent constitutions, among which the German Constitution of 1919 and the Soviet Constitution of 1935 may be mentioned, have adopted the principle, though no other constitution gives as full legal protection as the American Constitution to inalienable individual rights.

A constitutional guarantee of rights of man is thus not necessarily, and certainly not historically, connected with international protection against the power of the national State. But the idea of a guaranteed minimum of individual rights can be applied on an international as well as on a national scale. It is the international aspect which, at a time of growing State power and increasing suppression of individual freedom, has led to the recent revival of this ideal. Today the supporters of the idea of "rights of man" are, throughout, supporters of international

¹ S. and B. Webb, *loc. cit.* p. 153.

² *Die Erklärung der Menschen- und Bürgerrechte*, 4th ed., 1927.

order as well as of individual liberty against the all-pervading power of the national State, which recognises no "self-limitation" (Jellinek) in its relation towards its own citizens or towards other States and peoples. They assail the sovereignty of the national State from within and without. Some recent draft Declarations of Rights of Man, such as that initiated by H. G. Wells and Lord Sankey,¹ or the Polish Declaration of Rights of Man,² proceed on a similar pattern. The right to life and personal liberty, freedom of thought, and right to property are the inheritance of liberalism. But modern thought, and the influence of Soviet Russia in particular, is responsible for the addition of the right to work, the right to education, etc., while the citizen's duty of service to the community is recognised as the necessary corollary. Such rights and group rights, as the protection of minorities, are to be obligations imposed upon the States, and enforceable by the international community on behalf of the individual or the group concerned. Thus the Polish Declaration bluntly states: "A nation which issues laws contrary to the Declaration of the Rights of Man shall be deemed to be an aggressor". Such declarations thus form part of the constitution of a sovereign international community whose law is superior to that of the national State. They presuppose the power of the international community (whatever its size and constitution may be) to enforce its law against the States.

Such a movement derives its strength from a revival of humanitarian and individualist feeling. At a time when the individual is trampled under by national States, abandoning the *Rechtsstaat* principles of the nineteenth century, demanding absolute obedience from their own subjects and ruthlessly destroying the lives, liberties and properties of others, he turns to a reorganised international community for protection. This movement also supplements the movement towards the multinational State. For, in the numerous cases where people of different nationalities live so closely intermingled that local or regional autonomy is impossible, the only protection that remains is that which international law can give to the members of such national groups, as individuals or minority groups.

¹ Printed in Appendix to H. G. Wells *Phoenix* (1942).

² Published in *New Polish Monthly*, May 1942.

THE COMMONWEALTH IDEAL

Since Lionel Curtis¹ and the Round Table movement propagated the ideal of imperial development by a Commonwealth of Nations, the British Commonwealth has frequently been held out as a model for a future international community and as a better alternative to the League of Nations.

The British Commonwealth ideology differs materially from the international ideologies previously discussed in that it does not put forward an international alternative to the national State. Again and again, proposals for a constitutional integration of the link between the self-governing members of the British Empire have been defeated.²

The legal and constitutional links between the States have not increased, but decreased as the movement for the complete constitutional independence of the Dominions proceeded. Consequently, there is no Imperial Parliament ; no Imperial Executive — even the emergencies of the present World War have not produced an Imperial Cabinet — no Imperial Tribunal. The Judicial Committee of the Privy Council has practically ceased to function as the Supreme Tribunal in matters affecting the Dominions, or relations between Britain and the Dominions.³ Constitutionally, the only certain link appears to be common allegiance to the King ; the development of the relations between the self-governing Dominions and Britain is characteristic of a dissolution of Empire into a number of independent national States and thus the opposite of a model of an international community replacing the sovereign national State.

From the constitutional standpoint, therefore, the transformation of the British Empire into the British Commonwealth of Nations has been a process of disintegration from a unitary state into an association of free communities.⁴

Professor Keeton has convincingly demonstrated the reasons

¹ *The Commonwealth of Nations* (1912) ; *The Problems of the Commonwealth* (1916).

² Cf. the New Zealand proposals for Imperial Federation at the Imperial Conference of 1911 and the Sydney Conference of 1938.

³ With the exception of disputes concerning the interpretation of the Canadian Constitution. This is due to the fact that the latter still rests on the British North America Act of 1867.

⁴ Keeton, *National Sovereignty and International Order*, p. 162.

" why the British Commonwealth can supply no useful analogy for a larger union ".¹ Quite apart from the progressive loosening of constitutional ties, the history of the relations between Britain and the Dominions has been characterised by an overwhelming naval economic preponderance of Britain, and it is too early to judge the effect of the dwindling of that preponderance upon the future of the Commonwealth. What is certain is that this relationship has a particular historical, political and economic background which cannot be transferred to the larger family of nations.²

Yet the British Commonwealth adds to the other international ideologies the ideal of a family of nations which form a unity despite the absence of compulsion and legal organisation. Moreover, the evolution of the relations between Britain and the South African Union demonstrates, though with significant limitations, the possibility of replacing active and recent belligerent hostility by cooperation in a link of self-governing communities.

But the limitations within which this ideal has been realised are equally obvious. All the self-governing Dominions are linked with Britain by racial and linguistic community of the prevailing part of the population ; by a common tradition of Parliamentary Democracy ; and by the more material links of British naval power and economic interests. In the case of the Irish, the Commonwealth experiment has entirely failed ; in the case of South Africa, it is delicately balanced.

The Commonwealth ideal would greatly gain in significance for humanity if it could overcome this racial limitation and be extended to other parts of the British Empire. As Sir George Schuster has observed,³ this would be the great ideological and international importance of the inclusion of India in the Commonwealth. At the time of writing the prospects of this happening seem remote, nor is such a development imminent in regard to any other part of the Empire.

¹ Keeton-Schwarzenberger, *Making International Law Work*, p. 198 ; cf. also Keeton, *National Sovereignty and International Order*, ch. viii.

² L. Curtis himself points out, in his latest publication (*Faith and Works*, 1943), that the present organisation of the British Commonwealth has proved incapable of safeguarding the security of the Commonwealth itself, while the organisation of international security must be entrusted to an international government, with the powers and resources to ensure the defence of all nations.

³ Introduction to *India and Democracy*, by Schuster and Wint.

Were this to happen, the British Commonwealth of Nations might make an important contribution to the idea of an international community of peoples linked, above differences of race and religion, by common principles of life and government. But its organisation, the delicate product of a number of very special developments and circumstances, can hardly serve as model to a wider international community.¹

"GROSSRAUMORDNUNG"

A comparatively new concept, which partly supplements and partly cuts across the international ideologies previously discussed, is that of *Grossraumordnung*. This term, at once invented and perverted by modern German Imperialists, expresses, however, tendencies of much wider implications.

It is a product of the science of *Geopolitik* which studies the geographical implications of politics and has, under the leadership of the ex-General Karl Haushofer, become an important part of Nazi empire planning. Its basic creed is succinctly formulated in the words of one of its prophets, Friedrich Ratzel: "Weiter Raum wirkt lebenserhaltend" (Big Space preserves Life).²

The perversion of its objects should not obscure the important work done by geopolitical research into the conditions and implications of the growth and decline of Powers, as they are moulded by geographical structure, economic resources, population trends, transport and communications, social movements and political will.³

In the way in which it is being used by Nazi strategists, economists, jurists, *Grossraumordnung* becomes a convenient formula for unlimited and ever-expanding claims to domination and a pseudo-legitimation for the destruction of other national States.

The Reich subtly replaces the nation, and in the name of the Reich economic resources must be controlled, strategic territories must be secured, and potentially dangerous peoples

¹ Lord Hankey's assertion to the contrary (*Sunday Times*, May 16, 1943) avoids all the problems discussed above.

² Leading expositions are: Kjellén, *Die Grossmächte*; Haushofer, *Weltpolitik von heute*; Haushofer, *Grenzen in ihrer geographischen und politischen Bedeutung*. For a concise account of the principal doctrines of Geopolitik see F. Neumann, *Behemoth*, pp. 115-24.

³ For a valuable attempt to apply geographical science to the ideal of world unity see C. B. Fawcett, *The Basis of a World Commonwealth* (1941).

and nations must be held in bondage. A substantially similar ideology supports Italian claims to Mediterranean dominion and the growing Japanese Empire of the Far East.

But the urge towards *Grossraumordnung* precedes and also extends far beyond the particular perversion of Fascist empire-making.

In 1915 Friedrich Naumann put forth his conception of a Mid-Europe under German leadership,¹ developing from the alliance between Germany and Austria-Hungary and constituting a fourth *Weltwirtschafts-koerper*, along with the already complete great organisms of Great Britain, America, Russia. Apart from the permanent association of Germany and Austria-Hungary, Naumann was cautious as to the extent of Mid-Europe; but he envisaged the inclusion of a number of neighbouring States to make the unit self-contained. Though emphasising the need for preservation of national sovereignties and traditions, Naumann thought in terms of super-national blocs.

Each of the three old Great States is intrinsically international. In them is actually expressed as much of the international idea as can be realised in the present epoch. . . .

Capitalism becomes international through its own impulse towards growth, and socialism, being contained in it, follows in its footsteps. — The State does not make the leap across from National State and territorial State to humanity, for it is no creature of thought but an organic reality, which grows according to its nature which widens its boundaries and which yields nothing that it has earned or established unless it is vanquished. . . . There are growing States which are continually driven forward by their own size. In them is realised a side of internationalism which is not simple commercial exchange. . . . Thus, within the world of exchange there arise great States or super States, economic provinces, which ultimately begin to formulate their economic law. . . . On the way to the ultimate world-economy lie these great economic States. . . . Anyone who wishes to look forward hopefully to the far-distant future may regard them as the early stages of the final organisation of mankind. . . . They themselves wish chiefly to live as independent existences and to build up for themselves first their Right and their Might.²

In 1924 a German scholar,³ not a National Socialist but a

¹ *Mitteluropa*, trans. as *Central Europe* (1916).

² *Central Europe*, pp. 187, 189-90.

³ A. Weber, *Die Krise des europäischen Staatsgedankens*.

Liberal and Democrat, in surveying the European structure, emphasised the strong urge towards a formation of a Continental bloc, with the industrial parts of Germany and France as centre, in view of the great production potential of such a unit, in terms of raw materials, industrial capacity, agricultural resources and working population. To this observer the greatest obstacle seemed to be, as it certainly has proved to be, the disintegration of European spiritual and cultural unity, and in particular the antagonism between Germany and France. In view of the apparently irresistible urge towards the unification of that imperial space, Dr. Weber considered the substitution of a genuine understanding and collaboration between Germany and France as the key problem. This analysis has proved tragically correct. For reasons which it is unnecessary to recapitulate, Franco-German collaboration on an equal basis did not materialise, but the political and economic unification of the Continental space has become a reality. For Franco-German understanding as the nucleus of a revival of European unity, Nazi Imperialism has substituted the political and economic subjugation of France, under German hegemony. Around this industrial nucleus of heavy industry on either side of the Rhine, a vast and still expanding empire has been built which, with the help of synthetic manufacture, is economically as good as self-sufficient, and whose human labour resources are controlled and directed from the centre.

The abhorrence of the destructive and tyrannic purposes, in the service of which the Nazis have put this new integrated European economy, should not obscure the fact that they have given expression and form to tendencies long inherent in European developments. The complementary character of German and French industry, or the dependence of Balkan agriculture on the market of industrial Europe, has not been invented by the Nazis.

The limits of this empire are not clearly defined, as the philosophy of its architects cannot contemplate a stable order short of world domination. But certain features stand out. Geographically, militarily, economically, politically, the organisation is on a Continental, super-national, not on a national basis.

A recent survey¹ estimates the working population of Germany and the occupied areas actually or virtually incorporated — Austria, Czechoslovakia, German occupied parts of Poland, Alsace-Lorraine, Luxemburg — as 47 millions, of whom 40 per cent are in mining or industry and 29 per cent in agriculture. This excludes Soviet Russia, the territories then controlled by Russia, and all the other countries directly or indirectly controlled by Germany. Even then the predominance of this unified bloc was such that the remaining countries were entirely dependent on it, by dependence on raw materials, lack of alternative markets for industrial or agricultural products, or by political and economic penetration.

The outlines of this German-Continental Economic Empire are clearly laid down in two speeches of the German Minister of Economics, Funk, of July 1940 and October 1941. Both emphasise the object to make Europe economically self-sufficient in raw materials and foodstuffs, and to concentrate heavy industry in the area of Germany enlarged by adjacent industrial areas of Austria, Bohemia, Moravia, Polish Upper Silesia, Alsace-Lorraine and Luxemburg. Even the Ukraine area is to be deindustrialised (Speech of October 1941). The capacity of Germany and her European allies to conduct modern war on the most intensive scale, long after the exhaustion of original reserves, demonstrates the extent to which economic self-sufficiency has been attained. The relatively small supplies of natural petroleum from Roumania and Poland (2.4 per cent) (0.2 per cent of world production) are made up by the growing production of synthetic oil, while rubber supplies are almost entirely synthetically produced.² Production of iron ore in German-controlled Europe is abundant, and chrome ore and manganese deficiencies would be entirely remedied by access to the production of Southern Russia and Turkey. Certain limited "bottle-necks" (tin, nickel, copper) do not seem to have impaired war-making capacity.³ The cultivation of soya beans in the Balkans, which can make up for many deficiencies (vegetable oil, feeding stuffs, etc.), demon-

¹ *Bulletin of International News*, January 25, 1941.

² The figure of 20 per cent of consumption given for 1938 (*Raw Materials*, p. 36) must have been left far behind.

³ Owing, probably, to use of substitutes and scraps; cf. *Economist*, August 15, 1942.

strates another way in which the planned exploitation of some resources can make up for the lack of others.

As pointed out before, the forces making for economic integration of the Continent were apparent to far-seeing observers long before the Nazi conquests. The fact that democratic Europe failed to achieve, by peaceful coordination and integration, what the Nazi empire has achieved by brutal force, is, however, bound to make the future of this Continental unity a matter of acute political controversy. The liberated nations of Europe will resist any unity in which Germany would once more gain predominance. The alternative of destroying Germany as a political and industrial force, by dismantling German heavy industry and splitting up Germany,¹ while superficially attractive, would, however, be a policy of ruinous despair. It would imply not only the splitting-up of Germany into numerous political units, to be secured by a huge permanent army of occupation and civil servants, but the tearing-asunder of such closely integrated units as the Silesian region or the industries of the Ruhr and Lorraine, and the elimination of the largest body of customers for the products of the countries of South-Eastern and Central Europe. The fatal weaknesses of such a purely destructive procedure, which has been clearly rejected by the Soviet and British Governments,² have been exposed by several writers.³ Any constructive alternative is bound up with the solution of two vital problems: first, the participation of Germany, in a European order, under a radically different political and social régime;⁴ second, the development of the under-developed regions of Europe, in associations which will be politically, economically and militarily strong enough to improve the conditions of their peoples and to resist penetration and conquest better than in pre-war days.⁵

The Nazi *Grossraumordnung*, while it is based on the unity of European life, is planned so as to ensure German hegemony and prevent the political, economic and cultural development and resurrection, especially of the Slavonic parts of Europe. The collapse of Nazi empire must entail a radical abandonment of this

¹ Cf. Einzig, *Can We Win the Peace?*

² Stalin's speech, November 1942; Lord Simon's speech, March 1943.

³ Notably Carr, *Conditions of Peace*, ch. ix; also Cole, *Europe, Russia and the Future*.

⁴ On this point, Carr, *loc. cit.*

⁵ On this point see below, p. 187.

policy. But it does not affect, in any way, the continued need to envisage and develop the European continent as a whole, and not as a number of isolated parts. At a time of unparalleled need for reconstruction and development, the simple reversal of the Nazi conception, by an inversion of the rôles of master and slave, a large-scale destruction of existing resources and the artificial creation of many small political units, while the reverse is taking place everywhere else, would divert energies from reconstruction for many years, quite apart from the almost insoluble military and organisational problems. The destruction of Nazi empire will emphasise, not destroy, the need for reconstruction on Continental lines.

The Soviet Union, comprising a sixth of the world's surface, and a population that is rapidly approaching the 200 millions mark, composed of over a hundred races and containing agricultural and industrial resources sufficient to make this empire into an almost completely self-sufficient unit,¹ is in itself a Continental *Grossraum*. The economic development of the Soviet Union shows more clearly than that of any other political unit how far political direction can change economic resources. Particularly striking is the large-scale development of cotton plantations, the production of rubber from a quick producing plant as well as from synthetic manufacture, and the development of a large machine tool industry. The unity of this *Grossraum* has been cemented by a long tradition of political unity and the new link of a Communist State that keeps these parts together, economically and politically, while separating the whole from the remainder of the world.

Again, the extent and distinctiveness of this *Grossraum* is not necessarily final. A successful conquest of European Russia by the Nazi empire would make it part of Hitler's *Grossraumordnung*, while large parts of Asiatic Russia are scheduled to form part of the Japanese Empire. On the other hand, a spread of Soviet revolutions over Europe, as the result of an Axis collapse, would be likely to eliminate the relative political and economic seclusion of Soviet Russia from the remainder of Europe and possibly result in a European Federation of Soviet Republics.

The third *Grossraum* with rather well-defined features is

¹ Cf. *Bulletin of International News* (1941), pp. 875-88.

America. More than a century ago, the Monroe Doctrine foreshadowed American continental unity, though in a purely defensive and one-sided manner. In the meantime, the relations between the United States and Canada, on one hand, and between the United States and the Central and South American Republics on the other hand, have undergone many vicissitudes; while Canada was increasingly drawn into the economic orbit of the United States, the relations between the latter and Latin America were severely strained during the period of "Yankee Imperialism", when American capital and business interests largely dominated the rich resources of the remainder of America, the majority of whose peoples remained in abject poverty. The results were strong national movements, notably in Mexico and Peru, with a strong anti-Yankee and anti-capitalist flavour.¹

The increasing menace of totalitarian war by itself might not have sufficed to bring about Pan-American unity, or even co-operation. But even before the new world war directly threatened America, President Roosevelt had begun to substitute "Good Neighbour" policy for Yankee Imperialism, and since his domestic policy was also largely directed towards the improvement of social conditions, this policy carried some conviction. It was underlined by the institution of regular Pan-American Conferences which resulted in a number of Pan-American Conventions.² These did not, however, go beyond relatively secondary matters (such as right of asylum, educational co-operation) and stopped far short of any political or economic realisation of the Pan-American idea.³ They did, however, remove some of the political obstacles which the previous period of the "Dollar Imperialism" had created. A decisive development occurred when defence needs and war production brought about a pooling of resources. The Pan-American Conference of January 1942 went some way towards the initiation of a common policy. With the exception of Argentine and Chile, all American Republics were, by August 1942, in a state

¹ Cf. above, p. 58.

² Most of them are collected in Oppenheim-Lauterpacht, *International Law*, 5th ed. vol. I.

³ A far reaching Project for an Inter-American Bank drafted by the Inter-American Financial and Economic Advisory Committee in 1940, designed to promote the fuller exploitation of American resources and to intensify inter-American economic and financial relations, has been shelved.

of either "non-belligerency"¹ or war with the Axis. (Among them were Brazil and Mexico, the latter only shortly before strongly antagonistic to both U.S.A. and Britain because of her policy of nationalisation and confiscation of foreign oil concessions.)

The relations between Canada and U.S.A. have been further intensified by the abolition of customs, the coordination of their mutual war production programmes, and the building of the Alaska Highway. Canada, politically a self-governing member of the British Commonwealth, is, economically as well as geographically, more closely linked with the United States.

Pan-American Union would be economically very powerful and almost without weaknesses. The United States by herself is self-sufficient in most basic materials, and the deficiencies can almost all be supplied from other parts of the continent (bauxite from Guiana, nickel from Canada, vanadium from Peru, tin from Bolivia, manganese from Brazil and mercury from Mexico).² A rapidly growing synthetic rubber and artificial silk industry will soon replace the former dependence on the Far East.

Since the more rapid but less durable method of creating continental or imperial unity by subjugation is not practised or practicable in America, the formation of a Pan-American *Grossraumordnung* is likely to be a gradual and cautious process, though the length and intensity of war may well hasten it, in the face of the many historical, racial and social antagonisms that still exist. As with every other *Grossraum*, speed, intensity and direction of its development will be largely determined by its underlying political purpose. While there are certain tendencies to develop the American continent into a self-contained "American Fortress", the prevailing tendency in the U.S.A., as in the Latin-American States, is to integrate a Pan-American system into an international organisation of a more universal character.³ Within such a regional group the Latin-American States, in their turn, seem to be developing

¹ A term without strict legal significance, but designed to express sympathy and support for one side short of military intervention. Italy, before her entry into the war in June 1940, considered herself as "non-belligerent".

² The chrome ore production of Colombia (5.2 per cent of world production in 1937-8) is presumably being expanded.

³ Cf. *The Times*, May 5, 1943.

regional associations to promote their mutual economic interests and also to reduce the hitherto overwhelming political and economic preponderance of the U.S.A.

The fourth *Grossraumordnung*, in course of being established, is a Far Eastern Empire. Concrete shape is being given to this *Grossraum* by Japan, whose "Co-Prosperity Sphere" affords many parallels to Germany's "New Order".

The unit proposed to be built up by Japan in Eastern Asia and the Pacific is, like German dominated Europe, an area aiming at self-sufficiency, with an industrial State as the centre and primary producing countries round it.¹

The recognition of the importance of this development implies no more a faith in the permanency of Japanese Fascist Imperialism than the integration of European economy depends on the duration of Nazi hegemony. In the Far East, the issue of Japanese hegemony is not even provisionally decided, while the struggle with China and the Allies is undecided. What is significant is that Japan, a small island like Britain, is now attempting to establish a compact empire, with an unbroken link of continental and naval communications stretching from Japan through Manchukuo, China, Indo-China to the Philippines and the Dutch East Indies.

This empire too is envisaged as self-sufficient, though this self-sufficiency depends, to a great extent, on the exploitation of the still largely unexploited resources of Manchuria and China.² The inclusion of the Dutch East Indies, Malaya and Thailand solves the problem of rubber, oil and tin supply. There remain, however, many deficiencies most of which could be removed by long-term planning in a stable empire.³ But the measure of potential self-sufficiency of this vast expanse of territories is much more a matter of speculation than in the case of the European or American continents, since only a small fraction of the potential resources has so far been exploited or even tapped. It is possible that China alone, or a combination of the Southern Pacific territories, might form a political and economic *Gross-*

¹ *Bulletin of International News* (1941), p. 551.

² Iron ore and coal reserves in these countries are known to be huge, but it is thought that systematic exploitation will reveal many more vital raw materials in China.

³ For an exposition of existing and future resources and possibilities see *Bulletin of International News* (1941), pp. 255, 332, 548; also Einzig, *The Japanese "New Order" in Asia* (1943).

raum of the future. The size and the unused potentialities of the Far Eastern area seem to leave much more freedom of movement and variety of development than the smaller and more fully exploited European space.¹

Though the extent, the political and social form and many other features of these established or developing *Grossraumordnungen* are still largely problematical, certain salient common features emerge :

Firstly, each of these new units of continental dimensions transcends and ignores national divisions. The Soviet Union, the European continent, America, the Far East, all comprise many nations different in race, traditions and other aspects vital to the era of the national State.

Secondly, the decisive feature of these new super-national formations is their compact character, the "interior lines of communication" which are of such decisive advantage in modern war. These lines are largely continental, partly maritime ; but, in any case, these communications are within one compact area and therefore relatively secure in case of war.

Thirdly, they are designed to be economically self-sufficient, able to withstand the cutting-off of international trade, beyond the confines of the *Grossraum*. International trade thus tends to become a superstructure and a luxury, a useful but not vital addition to the continental economic organism. While there is, so far, no *Grossraum* which does not suffer from certain deficiencies, each of them is in course of making good the deficiencies by the tapping of unused resources or by synthetic production.

Fourthly, these *Grossraumordnungen* are not characterised by any particular political or legal form or by any particular ideology. They comprise the tyrannical international State of Hitler's Europe based on the differentiation of masters and slave, and the similar tyranny of the Japanese Far Eastern Empire ; the Soviet Russian Federation which combines with cultural autonomy the strict unifying discipline of a political and economic programme and the uncontested predominance of one political party ; and the loose association of the different parts and States of America.

¹ Owing to lack of development, population and political impotence in relation to space, Africa is not likely to develop a continental order for a considerable time.

The *Grossraumordnung* is not primarily an ideological creation. Its ideology may be humanitarian or racialist, bellicose or pacific, democratic or autocratic, Fascist or Socialist. It may be a stage towards wider world unity, or the preparation for a decisive struggle for hegemony.

The chief motive power behind this very important development is not the inability of smaller areas and units to satisfy basic economic needs. Free international trade, or alternatively the vast new potentialities of modern science in industry and agriculture, would satisfy these more easily, at smaller cost and effort.

The chief motive power is the fear of war, in a world troubled by recurrent threats of aggression and the resultant desire for security. If at one time this desire could be satisfied by national States, though always precariously and in unequal measure, today the national State has become patently inadequate for this task. This applies particularly, but not exclusively, to the smaller national States. Two factors primarily account for this inadequacy of the national State. One is their inability to provide for the sinews of modern war, with its all-embracing demands on food production, raw materials, industrial production and labour.¹ Most national States would be able, if left alone, to provide more or less adequately for the necessities of life within their borders. But modern defence implies much more than that; it implies a comprehensiveness of resources and reserves, in men and materials, which has greatly accentuated the inequality between big Powers and small national States. The other connected factor is the revolution of modern transport through the aeroplane. If Germany could overwhelm Belgium or Holland in such short time by an invasion of aeroplanes, this only underlined with tragic pungency the brutal fact that many national States can be crossed by modern aeroplanes in a few hours. The railway has been a vital factor in the making of the modern national State.²

It might well be said that the modern *Grossraumordnung* is an attempt to restore the relation between space and transport

¹ The only existing States which come near to satisfying these needs are of continental dimensions, like the U.S.A. and the U.S.S.R.

² The direct political significance of national railway development has been particularly patent in the case of Germany and Japan.

which the gradual displacement of railway and ship has gravely disturbed.

War, in attack and defence, has been the prime mover ; but the dwindling of distance, at a time when aeroplanes daily fly the Atlantic in less than a day as a routine operation, is bound to have an impact reaching beyond the needs of defence. It is likely to affect, in time, the outlook of the average individual no less than the railway has done.

The urge towards *Grossraumordnung* is capable of being used for different ends ; but its motive forces apply universally in the modern world : fear of war prompts new strategic combinations, and the advent of the aeroplane makes the confines of the average national State insufficient, while it makes the unification of continental spaces a practical possibility.

It is now apparent why the British Empire has not been included in the brief survey of modern *Grossraumordnungen*.

It lacks the essential features of *Grossraum* : unity of space and communications, and consequently economic self-sufficiency in the face of modern war. The British Empire is, indeed, the expression of a past phase of Empire. Scattered all over the world, its component parts, unequal in military and economic strength, are incapable of facing modern war by themselves or as an imperial unit, though this imperial unity still is and will continue to be a powerful moral and political factor. Britain herself, though potentially perhaps capable of a large measure of self-sufficiency in food production, and, with the help of synthetic manufacture, perhaps even in raw materials, is bound to be one of the weakest of the major national States in regard to self-sufficiency in raw materials.¹ India, potentially the nucleus of great industrial development, is politically a weak link, while none of the Dominions and Colonies could hope to live or stand by itself unless immense changes in the density of population and the development of potential resources took place. Consequently, the different parts of the Empire are compelled to lean, economically, on some modern *Grossraumordnung*. Canada is becoming a part of the American *Grossraum*, while Australia and New Zealand are developing their relations with the United

¹ A table comparing the degree of self-sufficiency of leading industrial States (in 1939) is given in *Raw Materials*, p. 31.

States of America as the alternative to forced inclusion in the Japanese *Grossraum*.

Notwithstanding its unbroken moral and political strength, the British Empire as a military and economic power is a construction of a past era of balance of power, strategy and trade. It cannot compete, as such, with the new super-national formations. For the pillars of its strength, the supremacy of British naval power and the preponderance of British industry and shipping, coupled with a system of world-wide exchange economy and trade, are weakening, as new compact empires arise, with large populations, resources, productive capacity and military organisation of greater power.¹

Few would deny the great strength of the moral ties that have held the British Empire together in times of great vicissitude; nor the fruitfulness of the evolution from Empire towards Commonwealth, as carried out in the relations between Great Britain and the self-governing Dominions. But this is a proposition very different from that of holding this type of international relationship out as a model for general international reorganisation, or of attempting to develop the British Empire as a self-contained *Grossraumordnung*, in competition with others. If the *Grossraumordnung* should become the dominant type of political development, the different parts of the British Empire, including Great Britain herself, would be compelled to associate themselves with one or the other of these continental empires, as an alternative to eventual absorption. In the case of the self-governing Dominions, the very looseness of the inter-imperial constitutional ties would make such a development a gradual and almost imperceptible one. In the case of Colonies definitely within the sphere of a particular *Grossraum*, such as Hongkong or the West Indies, an ultimate change of allegiance would be more distinct. For Britain herself, the eventual alternative would be between closer association with the European or the American *Grossraumordnung*.

The obvious strength of the forces making for compact super-national units should excite neither fear nor hope. It

¹ These conclusions are now largely confirmed by L. Curtis, *Faith and Works* (1943), ch. xii, although the author seems to contemplate a government commanding the whole resources of the British Commonwealth (p. 94), as part of a larger international organisation, leading eventually to a world government.

proves only one thing beyond doubt: the inadequacy, in the modern world, of the national State as the primary basis of political, military and economic power. How the super-national *Grossraumordnung* will affect the future happiness of mankind, and, above all, the issue of peace and war, is a matter of political decision. Though it is theoretically possible, it is unlikely that a number of largely self-sufficient empires would, for long, live side by side without friction. Any ensuing war would be of continental dimensions, too. But the whole tendency would be to split mankind into a number not only of self-contained political and economic units, but of distinct civilisations. International cultural and legal values would be replaced by distinct American, Asiatic, European ordering values.

Alternatively, super-national Unions can be so constituted as to reconcile "the principle of universality of membership with the existence of regional groups formed by natural bonds of solidarity and common interests".¹

Thus understood, their principal function would be the widening and breaking down of frontiers, for the development of economic resources and cultural relations, as well as for the formation of regional defence units, within a wider system of international security.

¹ Report of Inter-American Juridical Committee 1943, as reported in *The Times*, May 5, 1943.

CHAPTER VIII

PATRIOTISM

THE power of the many forces — economic, political, sociological, ideological — which assail the power of the national State is countered by the power of patriotism. Patriotism is a complex attitude of mind, as difficult to define as Nationalism. The nation is not its only object. *Lokalpatriotismus* often competes with the wider national loyalty. There are people whose devotion is concentrated on their village, their town, their country. There are others whose "fatherland" is the whole world. But, in the minds of the great majority of the present generation, the object of patriotism is the nation organised in the State. The feeling of kinship with people of the same language, habits, rights and duties, the pride in personal or collective independence and liberty, the love for the beauty of one's land, the pride in past achievements, military victories, revolutions, social reforms, the cultural inheritance, the continuity of tradition, the secret yearning for a power, glory and greatness which the vast majority of people cannot achieve as individuals but only in the reflexion from a collective of which they are members — all these feelings have been concentrated by the vast majority of people on the national State in the last few generations. For the complex medley of patriotic emotions needs that crystallisation which Nationalism, organised in the modern State, provides more strongly than any other unity. While the village or town is no longer big enough to absorb all the loyalties and emotions that go into patriotism, the world is as yet too wide an entity, indefinite and unorganised. This is, of course, not an absolute and unvarying state of affairs. One day a European Federation or a new League of Nations or an international army may command the loyalties that are now so largely absorbed by the national State and its institutions. But for the vast majority of people as distinct from a small number of visionaries and revolutionaries this is possible only when organisation, political rights and duties, education and the

beginning of a tradition will have turned the vision into something more concrete and living.

Meanwhile the emotional strength of patriotism acts as a strong antidote to the influences which weaken the national State. Many of the business men and industrialists whose interests and outlook are international and whose policy has threatened the national survival of their own country, are ready to fight and die for it, as soon as the national danger has become patent to them, and war is the only alternative to surrender.¹ On the other hand, instinctive patriotism counteracts the international outlook.

Two aspects of patriotism need special emphasis in the light of recent developments. Firstly, patriotism looks backward rather than forward ; and secondly, it needs a stable focussing point. It is for this reason that the new Fascist Imperialism has revived and inspired the patriotism of the peoples which it has conquered and subjugated, while it has, at the same time, weakened the patriotism of its own people.

THE REVIVAL OF PATRIOTISM IN THE SUBJUGATED COUNTRIES

China and all the countries of Europe have had continuity of government, unity of language, and national habits, a cultural tradition and a history of national independence strong enough in their combination to survive long in the memory and consciousness of their peoples. The complete extinction of a nation, it is true, may destroy even the most powerful patriotism, but such complete extinction cannot be achieved quickly even by the accomplished technique of modern Fascism ;² it needs the conquered peoples too much to exterminate them, though the alternative developed with ruthless and savage thoroughness by the Nazi and Japanese governments in some of the conquered countries would, in the long run, go far to achieve the desired result of killing the roots of patriotism. Meanwhile suppression

¹ This happened in Britain in September 1939 ; in France, an important section of industrial interests seems to have gone too far to be pulled back by last-minute patriotism, as the disclosure of the iron ore supplies to Germany (above, p. 95) demonstrates.

² For a clear and terrifying picture of this method see *The German New Order in Poland* (1942), and for the closely parallel policy of Italy in Yugoslavia see the letter in *The Times*, September 28, 1942.

has, on the whole, strengthened, not weakened, the feeling of national cohesion.

Under the fearful and ever-present foreign oppression the Polish landowner and peasant, the Belgian industrialist and worker, may feel less acutely the social cleavage of the past and more strongly the community of language and the reminiscence of liberty once enjoyed, though not in equal measure.¹ The Serb and the Croat, the Czech and the Slovak, the Pole and the Ukrainian, may feel that past rivalry and conflict is insignificant as compared with the total loss of liberty suffered by both.

Conscious of the unifying force of common distress, the Fascist conquerors are attempting to exploit past racial as well as social antagonism. The establishment of puppet independent States such as Slovakia or Croatia and the endeavour of the Nazi Government to get French, Czech or Swedish industry and business as well as anti-democratic military leaders interested in the exploitation profits of the new economic empire, illustrate this policy.

But although an accurate estimate of the position is difficult, owing to the dearth of information, it appears that, on the whole, this disintegrating policy has been quite unable to neutralise the surge of national resistance and its unifying force. This movement of national resistance has produced many contacts between classes and groups formerly divided in their political and economic outlook. Clergy and military leaders may find themselves co-operating with trade unionists and peasants. Such union across the classes has its distinct limitations. It prospers in common resistance to foreign aggression, but in itself it is not productive of a new constructive unity which would permanently overcome the deeper social and political differences. Whether the fighting alliance between clergy, school teachers and trade unions in Norway, between military leaders and peasants in Yugoslavian guerilla warfare, or between conservative military and socialists, as in the Fighting French movement, will lay the foundation for a new national democracy, overcoming, or at least diminishing

¹ In Great Britain the National Coalition, inspired by the patriotism of resistance, has, so far, proved strong enough to subdue the grave social and political conflicts which the principles of war planning of the relations between Industry and State, or the implications of the alliance with Soviet Russia have accentuated.

such vital cleavages as between pro- and anti-Front Populaire forces in France, or between, it is too early to say.¹ No national unity can rest on solid foundations which is not based on a fundamental community of social beliefs. Unity of resistance may postpone, but not solve, this question.

A fighting alliance, national or international, may provide the basis for a wider community of political, social, economic and cultural purposes. It may, on the other hand, dissolve as soon as the immediate military objectives have been achieved.

The surge of patriotic feeling stimulated by the savage oppression of the Axis conquerors has not, therefore, solved the problem of the national State.

THE DESTRUCTION OF PATRIOTISM BY FASCIST IMPERIALISM

Outwardly, the conquests of Fascist imperial Powers seem to be sustained by an intense patriotism of their people, and, indeed, to inflame it further by military victories. But, under the surface, the same forces that involuntarily strengthen the patriotism of the suppressed peoples, fatally weaken it in the conquering nations. The views outlined by Hitler many years ago, to his intimates,² have received striking confirmation from the famous SS. document captured in Libya in 1942. Both represent nothing but the logical implications of an international empire based on domination. Hitler's vision is that of a new functional international society in which a class of leaders is trained in icy isolation, in *Ordensburgen*, in which an international Gestapo³ is maintained to suppress any rise or political movement of the proletariat of any country, German or otherwise, and a new slave class of the working masses, unskilled industrial workers, agricultural labourers and peasants. It is the deliberate plan of Fascist empire-builders to "clear away the state frontiers that limited trade and the national traditions that diversified demand".⁴ "The clichés of Nationalism" are

¹ By the spring of 1943 the difficulties of unifying the different anti-Nazi French movements led by Generals Giraud and de Gaulle, or the open hostility between the peasant guerilla forces and the forces led by General Mihailowic, in Yugoslavia, underlined the strength of social cleavage, at the very height of national resistance.

² As revealed in Rauschning, *Hitler Speaks* (1939).

³ Including Dutch, Scandinavian and other Nordic contingents.

⁴ *New Statesman and Nation*, September 5, 1942

in the way. People who cling to traditions, to soil, to family, are not pure functionaries.

As stated above, patriotism needs a focussing point. The focussing point of modern patriotism is the nation organised in the State. Up to a point, patriotic feeling will follow the State in its conquests, of disputed territories or of colonies. But when all limitations are deliberately destroyed and the people of Germany, for example, are taught to consider as German not only the German State but all people of German language and all areas of German "*Kultur* anywhere in the world",¹ patriotism loses all direction and becomes submerged in unending conquest.

The Fascist alternative is not a new patriotism nor, needless to say, a new humanitarianism. No enthusiasm is needed or desired. Any enthusiasm is confined to the small class of selected international "Leaders", and it is the consciousness of their dominating function, not patriotism, which inspires them. The SS., as an international police force, is the principal executive. The remainder is controlled by fear, hard work and discipline. The armies are driven by strict military discipline, lightened from time to time by the prospect of loot; the working masses, by the maximum of working hours compatible with physical ability and the amount of food and entertainment necessary to keep them going. Martial law, the Gestapo, a juridical system freed from all obedience to written law, concentration camps, and the sheer exhaustion of continuous hard work, cement this system. It works well enough while the machinery is in order. It should not be overlooked that the Nazi Government has been able to compel some six million foreign and overwhelmingly hostile workers to work for it, in industry and agriculture, and that it has been able to enlist numbers of Czech, Polish, Serb conscript soldiers in its armies.² That is a measure of the power of the new technique. But the price paid is the destruction of patriotism. When the grip of fear, discipline and compulsion loosens, the weary and exhausted masses can no longer find strength in national unity and liberty. For the roots of such feelings will

¹ *Handbook for Hitler Youth* (1937).

² Reports from the Tunisian campaigns (April and May 1943) indicate that even the former German inmates of concentration camps have been herded into the German army.

have been destroyed. This will present great problems as well as great opportunities to the conquerors of the Fascist peoples. The outer and inner disintegration of the latter will provide a unique opportunity for the presentation of new values and beliefs. A mere negative policy of indifference or repression may well help to restore a Nationalism — born of resentment and frustration — which the Fascist rulers have destroyed in their own peoples.

THE RETARDING INFLUENCE OF PATRIOTISM

An interesting illustration of the way in which the conservative influence of a nationalist patriotism, inflamed by bitterness, humiliation and resentment, militates against the recognition of new political and social necessities, is given in the recent declarations of leading statesmen of Allied governments in exile.¹ The nationalist outlook prevails in the utterance of the Polish Foreign Minister, Count Raczynski :

Poland occupies one of the key positions in Europe. Her very existence as an independent State is a weighty guarantee of the independence of the Scandinavian and Baltic groups of States in the North and of the Danubian group in the South. . . . Poland . . . will have to be assured of a strong and secure frontier on the Baltic, with adequate protection against a mortal encirclement from the region of East Prussia.²

In addition Count Raczynski envisages a Polish-Czechoslovak Confederation, strengthened by Hungary, linked to Poland by "ties of traditional sympathy".³ But any such confederation⁴ will follow only on the strength of a sovereign decision of both nations (Poland and Czechoslovakia) after their liberation.

The Dutch Prime Minister, while strongly emphasising the need for collective security, considers that "a State is not a geographical conception but above all a historic-political unit". Therefore, "collaboration can be expected only between those

¹ *Sunday Times* Interviews, collected in *Rebuilding Europe* (1942).

² P. 3.

³ These ties are largely based on the social links between the dominant landed aristocracy of both countries. Cf. *Nationalism*, pp. 93-5; Keeton and Schlesinger, *Russia and her Western Neighbours*, pp. 66, 118.

⁴ Envisaged, apparently, not on the lines of Federal Union.

States which have a historic-political similarity". For this reason as well as because of the world-wide character of the Kingdom of the Netherlands, Dr. Gerbrandy "would have no use for an universal conception such as a purely European grouping of nations, a United States of Europe".

The Belgian Prime Minister's emphasis is on the need for a strong system of collective security and international freedom of trade, based on the Belgian need for industrial export.

The Yugoslav Foreign Minister, apart from an equally strong emphasis on a general system of collective security, seems to envisage "federative union of neighbouring peoples, within the framework of which each can keep its national political system intact".

The conflict between a fervent desire for the maintenance of political independence and the obvious impossibility of maintaining actual national independence in modern conditions is brought out in the observations of the Luxemburg Foreign Minister. The interviewer reports that he is "the most stalwart and fervent advocate of the United States of Europe that I have yet met. . . . But he is equally insistent on the right of the small countries to their separate existence and individuality."

For my country, as for other small countries, what matters is not so much the question of being devoured by this or that particular animal, but of not being devoured at all.

Answering the question whether political independence could survive economic incorporation, Mr. Bech refers to the nineteenth century, during which Luxemburg, "although its economic fate was . . . successively linked to that of two of its neighbours . . . was able to maintain its complete political independence".

The fact that such a small country as mine, surrounded by strong and wealthy neighbours, has been able to conserve its own individuality should be an encouragement to other small peoples who might fear for their own individuality when part of a European organisation.

The whole problem of how a very small national State¹ can preserve its individuality in the face of its obvious political, economic and military weakness, comes out in these observations ;

¹ The first to be formally incorporated into Greater Germany (September 1942).

but the attempt to preserve full national independence does not seriously tackle the problem in a realistic spirit.

Such realism is far more apparent in the observations of the Greek and Norwegian spokesmen and the President of Czechoslovakia.

The Greek Prime Minister, acutely conscious of the need for economic planning by the State, also sees that the economic ruin of the war presents "problems which no one nation can solve for itself" and envisages a federative union of neighbouring States, within the framework of which each can keep its national political system intact. "They will be federations bound by economic interests and supported by national force." The Norwegian Prime Minister agrees with the paramount need for international economic planning and sees in it a safeguard against a new economic Nationalism. But he emphasises further the need for

a greater degree of cooperation in the political, military and economic spheres . . . built up organically by the nations which have shared the dangers and hardships of this war, whose democratic development has reached approximately the same level, and whose economic interest follow and can benefit by a high degree of international trade and free interchange of goods, men and ideas.¹

The boldest and clearest attempt to grapple with the problem is that of Dr. Beneš :

This war has shown that no nation, large or small, can be self-sufficient. Morally, politically, economically, militarily, we must be prepared to help each other if peace and progress are to be secured, and in so far as that ideal necessitates some sacrifice of independent action it must be faced and accepted.

The practical implications of this view are the indivisibility of peace, a League of Nations

prepared actively to defend the peace, however remote the conflict may be from the borders of any of them . . . the continuing association of the present Allies, broadening out into an organisation of Europe . . . then a world organisation resting on the united purpose of the four great World Powers — Britain, the United States, Russia, China.

¹ The Dutch Prime Minister also stresses the "principle of like-mindedness" as a basis of international collaboration.

The President advocates regional groupings, linked up and interlocking in a world organisation.

The arguments for the smaller nation State have been summed up by a Polish writer ¹ in a vigorous attack on those writers, left wing or right wing, who, in their recognition of the obsolescence of the era of political national self-determination, are tempted to favour an adhesion of the smaller States to one of the "Big Four" of the Alliance of United Nations. No serious student of international affairs could deny the author's assertion that it is the big Powers rather than the small Powers whose policy was directly responsible for the anarchy resulting in the Second World War. As pointed out before, a world of many small, balanced and independent States might theoretically offer fewer opportunities for war — until one of them starts to disturb the balance. But such a redistribution is quite theoretical, and the alternative is world-wide international organisation which overcomes the big as much as the small nation State. In this connexion, Poznanski fails to appreciate the idea of the multinational State which is obviously envisaged, for example by G. D. H. Cole when he writes that "the problems of Poland, and of the Balkans, and of Hungary, will be solved by their inclusion as Soviet Republics within a vastly enlarged State based on the U.S.S.R." ² Such developments — if they are to avoid a new type of Big Power Imperialism — are dependent on a general evolution from political Nationalism to a more comprehensive political allegiance — and a corresponding reverse development from *Staatsnation* to *Kulturnation*. Such a development will have to overcome many obstacles — of tradition, vested interests and suspicion. But this affords no argument for the resurrection of many weak political units which are bound to become, sooner or later, a victim of more powerful neighbours. Poznanski's own argument is not consistent. While, on one hand, he argues against the obsolescence of the small nation State, he admits himself the necessity of a world-wide system of collective security and the need of regional federations in Central and South-Eastern Europe. Both imply an abandonment of the political sovereignty of the national State. It is certainly

¹ Poznanski, *The Rights of Nations* (1942).

² *Europe, Russia and the Future* (1941), p. 15.

true that the majority of the people of the suppressed countries today fight for national independence. This is true of those who have lost their independence through conquest, as of those who — like Indians or Arabs — have not yet reached it. They fight for national independence because it is the immediate symbol of liberty.¹ It is a very different matter how this liberty can be made secure and lasting.

If the problem of the independence and liberty of nations could be discussed less in terms of general than in terms of ways and means, much controversy might be avoided.

The Atlantic Charter has stated the goal clearly enough : " A peace which will afford to all nations the means of dwelling in safety within their own boundaries and which will afford assurance that all men in all lands may live out their lives in freedom from fear and want ".

Nor will many quarrel with the statement that : " to remake their national lives will be the first and dearest wish of all of them, even the smallest (*i.e.* nation) and their right to do so is implicit in the conception of democracy " .²

Only those who follow Fascist conceptions of inequality between nations, classes and individuals, or those who worship Bigness as such, will dissent from those principles. Far from furthering civilisation, the growth of power has often enough diverted a nation from freedom to conquest, from construction to destruction.

The embodiment of guiding principles in such general statements is valuable and necessary. But they must be tested and supplemented by an examination of the question how such liberty and independence can be made secure and real, in the light of prevailing conditions. Neither the freedom of human decision nor the limiting force of existing social conditions is absolute. Both influence and react upon each other. Neither can be ignored.

The above quoted statements still leave us with the problem : how to maintain the genuine core of Nationalism, that is the

¹ Cf. Laski's observations made in 1932 : " Nationalism . . . can be fully satisfied without flowing into the channels of sovereignty. What it seeks is freedom from an alien control " (*Danger of being a Gentleman*, p. 201).

² H. Butler, *The Lost Peace*.

attachment to independence, national tradition and cultural autonomy in a world in which the smaller and, indeed, most nations find themselves increasingly incapable of maintaining their national independence, liberty and freedom of development, if they insist on political and economic sovereignty.

Two fallacies threaten, at present, a satisfactory solution of this problem. On one side, the spokesmen of smaller nations are apt to translate the truth that big nations are not intrinsically better or more conducive to human happiness than small nations, into the fallacy of a "partition of Europe among twenty separate and jarring military and economic sovereignties".¹ On the other side, "realists" are apt to translate the truth that powers and liabilities, rights and duties must be correlated into the fallacy that the organisation of the world must be dominated by the allocation of "spheres of influence" to a few World Powers. A new "Concert of Powers", on a world-wide scale, might create temporary stability like that created by the Congress of Vienna; but it would leave the other nations with a feeling of apprehension and resentment; nor would such a settlement relieve any of the Great Powers of preoccupation with armaments, security, diplomatic and commercial rivalry, at the expense of the cultural development of their peoples.

¹ Leader in *The Times*, March 10, 1943.

PART III

SUMMARY AND CONCLUSIONS

CHAPTER I

SUMMARY

To summarise succinctly the result of the many complex and often paradoxical developments which affect the national State is an undertaking fraught, in a particular degree, with the dangers of generalisation. But this study would fail in its purpose if it did not admit of clear conclusions.

The analysis has revealed that the predominant trend of the political, economic and social forces of today lead away from the national State. This trend is, in many cases, unconscious or contrary to professed ideology. Moreover, the various anti-national movements are not prompted by similar motives and ideals. Indeed they are, in many cases, violently opposed to each other. The link between them is a negative one : the overcoming of the national State as the determining political unit.

The alliance between Nationalism and the State reaches a crisis when both Nationalism and the modern State begin to over-reach themselves. An exuberant Nationalism, on one hand, leads to a hypertrophy of new States based on the national ideal, but unable to realise it, without suppression of some other national group. The resultant dilemma of national self-determination leads either to the suppression or the incorporation of the smaller national States by the more powerful ones, which themselves turn from Nationalism to Imperialism. This Imperialism develops from a successful national movement that has entered into an alliance with the rulers of the modern State which concentrates an ever-increasing proportion of the forces of society in its hands. This growing power of the State favours the rise of political rulers who use the instruments of power over the masses towards the making of empires which discard and overcome the national State. Their own nation serves merely as the instrument and basis of attack, but its various components are merged in a new

international society. An alternative solution of the dilemma of national self-determination is the multi-national State in which a powerful political union guarantees cultural autonomy to different national groups, but demands the sacrifice of political, military and economic sovereignty. An adequate but not the only possible constitutional form of the multi-national State is Federal Union. Socially this modern Imperialism becomes possible, as the principal pillar of the national State, the middle class, abandons its Nationalism. The professional military, by a combination of professional interest and social prejudice — especially where the aristocratic background prevails — joins forces with modern dictators in the conduct of large-scale warfare, which ignores, sacrifices and mutilates the national State. The modern bureaucracy is trained in absolute obedience to the State and follows its rulers. The working class gradually turns from international class solidarity towards loyalty to the national State, but recently, with the merging of social issues in present-day international conflict, a new element of international class solidarity struggles with the support given by organised labour to the national State. Lastly, the commercial and industrial class abandons its earlier alliance with the national State. In the older national States, with economic liberalism prevailing and a correspondingly greater freedom of movement, industrial and commercial interests spread beyond national frontiers towards a system of international investments, cartels and other forms of international combinations which tend either to control or clash with the interests of the national State. In the younger national States, on the other hand, the same class, from the beginning, works in close alliance with the political and military authorities in the pursuit of imperialistic objects. Under Fascist Imperialism, big business and industry, in these States, thus easily assumes the position of executive agents in the business of international economic organisation and exploitation.

Of the current international ideologies, the ideals of international security against aggression, of Federal Union, of an international charter of rights of man, and the Commonwealth ideal, all militate, in differing forms, in the name of humanity and a cosmopolitan outlook against the symbol of the national State as the supreme object of loyalty and the ultimate form of

political and economic organisation. Modern socialist ideology tends to adopt elements of these different international ideologies with emphasis on the rights of the "common man". On the other side the Fascist International glorifies the dominion of the strongest as the apex of Empire.

All these different ideologies, looking beyond the national State, can adopt and use the ideologically neutral though clearly super-national conception of *Grossraumordnung* which, prompted by the growing inability of the national State to meet the exigencies of modern warfare, in attack or defence, gives expression to new developments in economic organisation, transport, strategic planning, etc. ; it can be used in the service of different political ideals, of Fascist Imperialism, of democratic Federation, of Capitalism or of Socialism.

Modern economic conditions do not, in themselves, point to any particular development. Where a liberal economic system allowed capitalist, financial, industrial and trade interests to develop autonomously, the result has been a widespread internationalisation, in the form of international investments, and a monopolistic control of international markets. But where, as in the younger national States, economic interests were allowed to develop only within a definite political plan, the resulting international interdependence and entanglement has been countered by a largely successful movement towards greater independence and self-sufficiency. Modern scientific and industrial developments actually reduce the degree of international economic interdependence, and it would now be easier for many of the existing national States to satisfy the needs of their peoples than in the earlier stages of the Industrial Revolution. The political instability of a world living under the fear of war greatly widens, however, the range of materials and resources needed for war, and international economic interdependence has, therefore, given way not to national self-sufficiency, but to continental self-sufficiency, the formation of large and powerful blocks able to wage and sustain war without being vitally dependent on outside resources. At present, therefore, economic conditions are, to a large extent, moulded by political planning.

Against the multitude of forces which look beyond the national State as the basis of international society there are two

which seem to strengthen it. The first is the strong nationalist movement in non-European countries which have been the object of political domination or economic exploitation by imperialist Powers. But while the attainment of an independent national State is, in most cases, the immediate object of these movements, it is associated with a social movement that does not consider the national State as its ultimate object, but links the emancipation of the oppressed nations with that of the oppressed classes everywhere in the world. Moreover, these movements are developing within the framework of a world-wide conflict which compels the association of national groups in wider international alignments.

The strongest force in support of the national State is patriotism. Both in aggressor and attacked States, the appeal to patriotism, spurious or genuine, has been as powerful as it has been successful. In the attacked nations, in particular, the emotions and reactions stirred up by invasion, destruction and suppression crystallise round the national State as the paramount focussing point, not only of political, military and economic organisation, but also of a common tradition and culture.

CHAPTER II

THE NEED FOR A READJUSTMENT OF VALUES

CHOICE BETWEEN ALTERNATIVE IDEALS

THE insufficiency of the national State as the principal ordering factor of the political, economic and social life of man in the world of today is a matter of analysis ; the alternative is not a matter of logic or necessity but of decision. It has been the object of this study to demonstrate how the most diverse forces of our time, political ideology as well as strategic planning, dictator power politics as well as monopoly capitalism, the making of empires by conquest as well as the common man's desire for peace and security, are compelled to look beyond the national State.

But the irresistible force of this development in no way impedes the necessity for a clear choice of values, for a decision between alternatives. To put the issue as one between Nationalism and Internationalism means little in terms of ways of life and human happiness. The choice between peace and war, humanitarianism and racialism, freedom and slavery, remains as stark as ever. The only necessary conclusion from the analysis is that the national State, a political institution of relative value, determined by the ideological, economic and social background of the time, has set on its decline. The alternative is " necessary " only in the sense that the predominant conditions of modern life would make any but an international solution an anachronism, unable to survive for any length of time. In that sense only the choice is narrowed down. We must not attempt to turn the clock back. But the issue between the highly organised international class empires of National Socialism or of the Rising Sun and an international society of free peoples remains urgent and uncompromising. Once this fundamental issue is decided, there still remain, within the broad outline of a free, pacific and cosmopolitan society, such issues as those between a loose system of collective security, or a closer constitutional integration of

international society, by means of regional or wider federation or an international Charter of Rights of Man.

PATRIOTISM IN A CHANGING WORLD

Patriotism has shown its strength in the unprecedented trials to which invaded and subjugated nations have been subjected by their conquerors. No one can deny the force as well as the nobility of that patriotism that buttressed the resistance not only of Britain in 1940 and Russia in 1941 and 1942, but of such smaller and much more helpless peoples as the Norwegians, the Greeks, the Yugoslavs, the Poles, the Czechs, the Dutch, the Belgians.

The problem is not one of patriotism as such, but of the function it can exercise in present-day conditions. Its substance is a medley of group loyalties, crystallising, at any given period, round the political unit which can best contain and stimulate them. The attachment to country and home, to political and social institutions, to a common language and civilisation, to a common tradition, needs a focussing point. The national State has, in recent times, become this focussing point. It has gradually, and not without severe struggle, displaced the older local or personal loyalties of the feudal and dynastic era. Revolutionary France and Napoleon have firmly established the overriding loyalty to the national State, by the model system of modern national laws inaugurated by the Codes Napoléons (replacing the multitude of local customary laws), by the spread of the idea of citizenship on a democratic basis, and, last but not least, by national military service.¹ The older emotional loyalties were merged and widened by means of these new nation-wide institutions. The modern national State became the *patria*, and as the paramount object of patriotism it remained unchallenged as long as it also was the chief dynamic force and the basis of political development. Today this association is dissolving. The national State is giving place to wider international groupings which, as they become established, will claim new loyalties in terms of international military service, citizenship and law, as

¹ Hitler has truly cut this national patriotism at its root by once more making personal loyalty supreme, destroying obedience to written law, and gradually transforming the national citizen soldier into a new international professional.

the necessary basis and concomitant of an international community whose sovereignty displaces that of the national State. On the other hand, the diversity of countries, races, languages, traditions is deeply rooted, and it has been given a new poignant significance by the ruthless and savage attacks of Fascist Imperialism.

By an ironic justice, the conquests of National Socialism have strengthened, in the nations opposing it, the deeper sources of national cohesion: love of home and country, of liberty and national traditions.¹

It would be tragic if this demonstration of patriotism were allowed to buttress outworn claims to political national sovereignty and thus to overshadow the decisive and irrevocable shift in the dynamic of international political life.

The confusion between national ways of life and national sovereignty has contributed much to the disaster of our generation.

The danger of such confusion, fraught with greater menace than ever, is not wholly absent from the pronouncements of leading statesmen of the subjugated States on the future of Europe.² In a natural reaction against the suppression not only of their peoples but of the elements of their nationhood, visions of a new and more powerful national State are apt to obscure the impossibility of reconstructing Europe with a multitude of sovereign national States.

Of the loyalties which the national State has concentrated on itself, some must be transferred to the wider international organism that will take its place. Hitler has clearly recognised this need in methodically destroying German Nationalism and training the different classes of his new imperial hierarchy to forget national traditions and attachments.³

No alternative international organisation of free peoples can be built on solid foundations unless it can transfer to its own service the loyalty and enthusiasm of service which the national State has commanded in the past.

¹ *The Times*, September 26, 1942.

² As discussed above, pp. 157-60.

³ See above, pp. 48-56, and "Nationalism and the Nazis", *The Times*, September 26, 1942.

In other words, patriotism and national sovereignty must no longer be identified.

The existence of a more or less homogeneous racial or linguistic group bound together by a common tradition and the cultivation of a common culture must cease to provide a *prima facie* case for the setting up or the maintenance of an independent political unit.¹

Nationality can no longer, in this twentieth century, provide a basis for the State.²

If, for a time, the movement towards national political independence reinforced and overshadowed the older and deeper movement for cultural liberty and self-expression, the alliance today is dangerous and harmful. The maintenance of Cossack or Basque tradition or of the Welsh language, of Breton culture, of the medley of Christian and Moslem communities in the Balkans or of the identity of the many Slavonic races in Central and South-Eastern Europe, the co-existence of Jewish and Arab communities in Palestine, to name but a few out of many aspects of cultural autonomy, is not only not protected, but subject to a perpetual threat, if expressed in terms of political sovereignty. It is only because current thought and emotions are so strongly influenced by the ideas and education of previous generations that patriotism is so widely identified with national sovereignty. The national State, as the protector of cultural group-autonomy — at no time a reliable protector — is incapable of fulfilling this function any longer. Wider and more powerful political organisms must take over, and, like the national State, they will and must claim, in return, the service and loyalties of the protected groups which they have so far given, voluntarily or by compulsion, to the national State. The technical and constitutional form of this protection is a matter of comparatively secondary importance, as long as there is an uncompromising transfer of the resources of military and economic power to the international community, under whose protection the diversity of national life can survive and, indeed, unfold more freely than under the perpetual conflicts of rival national States. The Soviet Union unites more than a hundred races, of the

¹ Carr, *The Future of Nations*, p. 49.

² Cole, *Europe, Russia and the Future*, p. 14.

greatest diversity, which have retained and been encouraged to maintain their language, customs, traditions, but have surrendered unconditionally political, military and economic sovereignty to the Federation one of whose supreme legislative organs is the Council of Nationalities. The regional confederations between Czechoslovakia and Poland or between Greece and Yugoslavia, planned by their governments in exile, might prepare the way for similar developments.¹ The much-derided provisions of the League Covenant for the protection of minorities might have worked more successfully if they had not been so cynically one-sided, and if, above all, like the remainder of well-intentioned provisions, they had been secured by effective power exercised on behalf of the League. The legal and constitutional form — regional federation, a League Covenant, an international charter — is a matter to be determined by the particular circumstances and conditions prevailing at a given time. But on the essentials, the transfer of the pillars of political sovereignty from the national State to the international organs appointed to protect the freedom of national life, there can be no compromise.

¹ General Sikorski has recently advocated a Central European Federation, of which Poland, Czechoslovakia, Yugoslavia and Greece would be founder members, while later the peoples of Central Europe who have "temporarily thrown in their lot with Hitler", such as Hungary, Roumania and Bulgaria, would be admitted. Sikorski also proposes two further Federations, one comprising France, Belgium and the Netherlands, the other Scandinavia (*Collier's Magazine*, March 27, 1943).

CHAPTER III

INTERNATIONAL AUTHORITY AND DIVERSITY OF NATIONAL GOVERNMENT

EFFICIENCY of government largely demands uniformity of political, social and economic conditions. Liberty and self-realisation, on the other hand, presupposes and flourishes with diversity of conditions of life. Where to draw the line is one of the greatest problems of international reorganisation. The problem that presents itself within each State is one of equal importance in the establishment of international government. At one end of the scale, totalitarian empire means the complete triumph of uniformity in every sphere of life. Political, economic, social and cultural life, down to the most intimate family relations, are unified and prescribed by government. Local and national custom, tradition, individuality and variety of life are stamped out together with any freedom of political and economic development. At the other end of the scale, the lack of uniformity of conditions of life in a country like the U.S.A., prior to the New Deal era, and the resulting freedom of movement in family, social, political and economic life, was bought at the price of stark contrasts of extreme wealth and extreme poverty, periods of mass unemployment; and violent alterations between boom and depression.

In the international sphere, the problem of homogeneity and diversity arose with the League of Nations. In his War Message of April 2, 1917, President Wilson asserted that "no autocratic government", but "only free peoples can hold their purpose and their honour steady to a common end and prefer the interests of mankind to any narrow interest of their own".

This preference for democratic government as the basis of international organisations was watered down in the League Covenant (Art. 1), which limited membership to "fully self-governing States, dominions or colonies". In practice, the requirement of homogeneity of government never meant much in the development of the League, which failed to expel or

coerce its Fascist members, Italy and Japan, and, on the other hand, eventually admitted the Soviet Union. As the League ceased to exercise even the modest amount of authority granted by the Covenant, the statesmen of the period of political "realism" and "appeasement" never tired of asserting the complete freedom of every State to conduct its government as it wished and the unwillingness of their own government to interfere with such government.¹ Fascist statesmen never shared this illusion, and the Anti-Comintern Pact, the precursor of the Axis Alliance, was a clear expression of international collaboration for conquest based on homogeneity of government, ideology and purposes.

There were, long before the present world war, clear indications that the alleged indifference of internal government to the prospects of international collaboration is an illusion. The degree to which forms of national government and life influence the prospects and intensity of international collaboration is exactly proportionate to the range of international collaboration. The existing rules of International Law presuppose an international society whose permanent and official contacts, in peace, are essentially confined to diplomatic relations, while economic relations are private, apart from certain protective State functions. Yet, modern social conditions have made this state of affairs long obsolete. Three examples from the period between the two wars may illustrate the extent to which modern international relations are intertwined with the internal structure of national States.²

The International Labour Organisation pursued the object of securing international agreement on labour conditions. But the withdrawal of Fascist Italy, Fascist Japan and National Socialist Germany from this organisation revealed the impossibility of securing international agreement where there is too deep a cleavage of social ideals and organisation.

In 1936 twenty-five States concluded a Convention designed to prohibit the poisoning of the international atmosphere through hostile propaganda and to foster international cultural coopera-

¹ For a specific declaration to this effect see Imperial Conference of 1937.

² For a detailed examination of the whole problem see the present author's articles in *Brit. Year Book of Int. Law* (1938), p. 118, and *Modern Law Review*, vol. ii, p. 178; also *What's Wrong with International Law?* (1941): further, Quincy Wright, *Proceedings of American Soc. of Int. Law*, April 1941.

tion through Broadcasting. Germany and Italy did not sign this Convention.

The extent to which State control over trade is needed to secure international agreement is illustrated by the Spanish Non-Intervention Pact of 1936. The agreement to prohibit the export of arms to the belligerents in the Civil War presupposed the assumption of control, by the governments concerned, over their export trade. Otherwise the gulf between the socialist economy of Soviet Russia and the semi-liberal economy of Britain would have been unbridgeable.

Among the immediate post-war problems there will be such matters as international food relief, exploitation and distribution of raw materials, reorganisation of international transport, and the rebuilding and development of vast areas. Among the wider problems will be the principles of education, a permanent system of international security and the redistribution of industrial and agricultural production. The control of the State over the vital spheres of national economic life has by now become a universal necessity and is all but universally accepted in principle, though with much controversy as to the extent of this control. But it is equally obvious that such vital matters as an international security system, cultural cooperation for peace instead of war, or an international agreement on minimum rights of the individual or on labour conditions, presupposes a wide measure of harmony among the parties in regard to the principles of government. Should more closely-knit organisations, such as Federal Unions or an international Charter of the Rights of Man, materialise, the measure of homogeneity would, of course, have to be greater still. Practically all writers are agreed that economic planning, for example, must be a vital function of Federal Government.¹

It would be fatal to relapse into the facile and ruinous illusions of pre-war days. In a recent speech² Sir Samuel Hoare stressed the need for not allowing Europe "to sink into chaos and anarchy at the end of this war. . . ." "The more concrete we could make our plans, the more likely it would be that we should convince the Continent. . . ." Yet the assertion, in the same speech, that there was no desire or intention to intervene in the internal affairs of another country has an ominous ring

¹ See above, pp. 122-4.

² September 1942.

and is incompatible with the previous part of the speech. It is true that the Atlantic Charter guarantees the liberty of nations. But the question is at what point national independence and international community may clash. As pointed out before, the extent of national autonomy is conditioned by changing social situations, and in any attempted international reconstruction it must be restricted by the overriding needs of "freedom from fear" and "freedom from want". It is impossible to secure these freedoms without a large measure of homogeneity in the principles of government and social life. This homogeneity ranges from the ultimate principles of social life, such as the attitude towards war and peace, community and individual, education, humanity and race, to the control over export and import trade or the control of labour. Uniformity of government and organisation must go as far as is required to make international government effective. The greater the extent of international government, the greater the homogeneity of government that is required.

Any measure of international planning, as, for example, an international control of raw materials or food supplies, is bound to break down, unless supply and distribution is controlled within the different States affected, actively and passively, be they member States of a Federation or parties to an *ad hoc* Convention. Conversely, the interdependence of internal measures of social reform and international economic relations is increasingly appreciated. The discussion of the Beveridge Report has largely centred round the question how social changes adopted in one country would affect international competitive capacity.¹ In the long run there seem only three alternatives :

- (1) The formation of a number of largely self-sufficient and self-contained *Grossraumordnungen* whose economic independence from other parts of the world would entail a corresponding independence of their respective social policies.
- (2) The revival of an unregulated international economic competition, with the inevitable consequence of resistance, by industrial and financial interests, to a develop-

¹ Cf. the correspondence in *The Times*, December 1942 and January 1943.

ment of social services, in order to keep the cost of production down and thus to increase competitive power.

- (3) A regulated international economy in which agreement as to the spheres and objects of international trade and economic relations would entail a large measure of agreement on principles of social policy.

The interdependence of national employment policy, industrial efficiency and international policy has been thus summarised in a recent article : ¹

The extent of the adjustment necessary will depend, in part, on developments abroad. If, for example, Europe after the war is to be left to raise itself by its boot-straps from the morass in which the war will have left it, we shall lose our European markets but shall be free from the lower-cost competition of European industries. This might give us some advantage over a short period, during which we could export to oversea markets without competition. But sooner or later European competition would revive and our competitors, starting from a lower level, would have every chance of capturing the free markets abroad while we should be at a disadvantage in trying to get into their markets.

We shall not benefit in the long run by trying to snatch selfish advantages in the immediate post-war period. Any lasting improvement in standards of life must be international ; and if we want to see improved standards here we must be prepared to help the reconstruction of Europe and of other war areas — even at some immediate cost to ourselves — and make possible the promotion of improved standards of life there. If the pre-war standards of Europe are to be reduced while ours are to be improved, we shall before long find ourselves in the uncomfortable position of splendid isolation, with our trade frozen stiff.

Within these minimum conditions a wide measure of divergence in the ways and forms of government and collective life is still possible. In the Broadcasting Convention of 1936, for example, States cooperated whose internal Broadcasting systems included private concessioned companies (France), a chartered Public Corporation (Great Britain) or State Radio (Soviet Russia). The contracting parties undertook to issue the necessary regulations and instructions in order to ensure the fulfilment of the objects of the Convention. Control over exports and imports

¹ "Employment after the War", *The Times*, February 2, 1943.

can range from a complete State trade monopoly (Soviet Russia), comprehensive control over allocations of raw materials and currency restrictions (Germany), to a limited licensing system (Britain before the war).

Within the general controlling function that a State must exercise to be able to participate in international measures, internal systems may retain a competitive or a State-managed economy, or a combination of both.¹

There is, for example, no reason why the quota of materials or finished products allotted to a number of States as part of an international rebuilding programme should not be secured by a competitive as well as a State-managed system. What is indispensable is that the State government should assume responsibility for the execution of the plan. This, indeed, is the position in the relations between the Allies, whose internal and social structures differ greatly.

Again, differences in the structure of Labour organisation need not exclude international cooperation unless they concern fundamentals. The collaboration of British, American and Soviet Russian Trade Unions presents considerable but not insuperable difficulties because of the differences in their independence from State control ; but the cooperation between, for example, Labour in the democratic States on one hand, and those of the Fascist States on the other, broke down long before the war, as the history of the International Labour Organisation shows.

It is likely that the International Public Corporation will prove a valuable and important device in developing international government, by the cooperation of States with different economic systems. Most modern States, notably Great Britain and the United States, have recently developed the Public Corporation as an institution which administers important utilities, in the public interest, but according to commercial principles, and as an independent unit not directly dependent on government departments, though responsible to the nation rather than to private shareholders.²

In the U.S.S.R. the Trust appears to fulfil a similar function

¹ As suggested in the articles on "Private Enterprise" in *The Times*, September 18 and 19, 1942.

² Cf. Gordon, *The Public Corporation in Great Britain* (1938) ; Robson (ed.) *Public Enterprise* (1937) ; Lilienthal and Marquis in 58 Harv. L.R. 545 (1940).

in a socialised economy. Different departments of production have, as State Trusts, acquired relative independence, for purposes of legal and commercial transactions, of accountability and responsibility. In the international sphere, Public Corporations could be formed for special purposes, such as international food relief or regional reconstruction. Their direction and management would be in the hands of a board of directors and staff recruited from the different States which participate, and working as an independent unit, with a clearly defined purpose and funds allocated to that purpose. It would be responsible and accountable to an organ of international government acting on behalf of the States concerned. In such a corporation, representatives of States with different degrees of State control over economic life could well cooperate, while, at the same time, these co-operations would form a bridge linking national and international government.¹ But it is evident that the development of such institutions presupposes identity of aims among the participating States, and the acceptance of responsibility by each government for the provision of its quota of funds, raw materials, man power, etc., as well as the periodical supervision of the work done. Thus, if international corporations could provide that elasticity which a period of transition from an era of national State sovereignty to some form of international government requires, they presuppose common subordination to international purposes, and a full acceptance, by the nation States, of their responsibility for their share in the common work, though the forms of internal control may vary in the different States.

How far homogeneity of the specifically political structure is required it is difficult to say, if only because the definition of "democracy" and "autocracy" is vague and shifting. The history of Federations shows that, in as close a constitutional association as Federal Union, homogeneity of the political structure of the member States is indispensable. The federal structure of the U.S.A., the U.S.S.R. and Switzerland, for example, is built on a homogeneous pattern of State constitutions. The proposed Federation in the Government of India Act 1935, on the other hand, broke down largely because of the impossibility of linking the autocratically governed Indian States with

¹ See, in greater detail, W. Friedmann in *The Fortnightly*, June 1943, and Grotius Society, June 1943.

the then democratically governed provinces of British India.

But the formal requirements of Parliamentary democracy should not be overrated at the expense of more fundamental aspects of social and political life. As in regard to economic organisation, considerable differences in the internal political structure are no impediment to international cooperation as long as there is harmony on the ultimate objects of international community.

Absolute uniformity of political, economic and social organisation is, thus, no prerequisite of that measure of international government which is indispensable to prevent chaos and anarchy. On the other hand, any international society which would regard the internal structure of State government and society with the indifference of pre-war days, would be doomed to failure and chaos from the outset.

A careful and authoritative student of international economic affairs, in a recent survey of post-war problems¹ has not hesitated to say that "it is . . . unrealistic to believe that the nations can be allowed to choose their own form of government with no respect for international standards of behaviour and be expected to follow the economic policies compatible with international equilibrium". The Chancellor's Proposals for an International Clearing Union — commonly referred to as the Keynes Plan — also reject the licence of national financial freedom. The consequence is that every national community must be subject to a measure of political and economic supervision, even if it means, in the ultimate resort, interference with national organisms.²

It is better to face these facts than to seek comfort in a rigid limitation of international functions, as envisaged by Mr. Curtis in his proposal to allocate security to a new international government, and social reform to existing national governments.³ The organisation of international security involves so many aspects of production, raw materials, financial contributions and personal service that such a division is quite impracticable.⁴

It would certainly be futile to rely on broad statements of policy, such as the Atlantic Charter, for a solution of these

¹ J. B. Condliffe, *Agenda for a Post-War World*, p. 124.

² Condliffe, *loc. cit.*

³ *Faith and Works*, p. 46.

⁴ This is, indeed, partly admitted by Mr. Curtis (p. 48).

problems. On the contrary, such programmatic statements need elaboration and qualification in the light of concrete problems.

If the Charter, in Art. 3, affirms "the right of all peoples to choose the form of Government under which they will live", it also desires "to bring about the fullest collaboration between all nations in the economic field, with the object of securing for all improved labour standards, economic advancement, and social security" (Art. 5); also, "a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want" (Art. 6).

If the full realisation of all these objectives should be impossible because one clashes with the other, the less valuable will have to be subordinated to the other. The foregoing discussion can leave little doubt that, if autonomy and national sovereignty of government is interpreted in the sense of Lord Simon¹ it is bound to impede "the fullest collaboration between all nations in the economic field", the safety of nations, and the freedom from fear and want proclaimed for "all the men in all the lands".

Unless there is international agreement and a concerted international policy on fundamentals, and unless this agreement and policy is supported by a corresponding internal policy and organisation, chaos will again triumph, in the name of the sovereign and self-determining national State. Only within these limits will the national State of the future be able to determine its own affairs and life. None of those aspects of national life which make for variety and individuality, of group and persons, need suffer. Not only the differences of religion, social custom, family life, language, but even wider differences in the methods of accomplishing the economic and social tasks set by the wider international community can be preserved and even prosper, with the absence of perpetual fear.

One of the most important lessons to be learned from the resistance of the peoples of the Soviet Union to the German invasion of 1941 and 1942 is the degree of resourcefulness and initiative displayed almost without exception by countless village Soviets or factory Soviets or collective farm operatives, in the

¹ Above, p. 35.

absence of any central government direction and control. The unparalleled extension of government activities in the Soviet Union, while making it the most disciplined and "bureaucratic" country in the world, has obviously also entailed a degree of executive decentralisation and education in self-government which has stimulated the qualities of enterprise and individual responsibility. It has enabled village Soviets and cooperatives to organise guerilla warfare as well as to resume local administration immediately the enemy was expelled.

This bears out an observation made by Professor Carr that

the more far-reaching and more ubiquitous the activities of Government, the more necessary does it become to decentralise control in the interests of efficient administration. It is in this interplay between centralisation and devolution, in this recognition that some human affairs require to be handled by larger, and others by smaller, groups than at present that we must seek a solution to the baffling problem of self-determination.¹

The redistribution of functions between the national State and a wider international unit is, as we have seen, not dependent on any particular political ideology. But it gains special significance as part of the redefinition and reassessment of human freedom which is the greatest task of the anti-Fascist forces.

Of President Roosevelt's four freedoms, two are expressed in a negative and protective form. To ensure freedom from fear has been the paramount task and function of the national State; the last hundred years have seen it gradually and hesitatingly assume the function of a protector from want. Today it cannot fulfil either function singly and in isolation. The military and economic power which the national State controls is no longer adequate for these purposes. As the protective functions pass to bigger and wider political units, it may well be that the many national groups, freed from the exhausting struggle for political independence, will concentrate their energies more on the different but not less noble task of developing the freedom of self-expression symbolised, though very incompletely, by Roosevelt's other two freedoms.

In a sense, national groupings would assume many functions

¹ *The Future of Nations*, p. 51.

of an enlarged and revitalised local government¹ by being the centres of cultural communities, and — with the modifications demanded by administrative efficiency — the executives of social and economic tasks set by a wider international community.

¹ In this sense, A. Cobban in *New Commonwealth Quarterly* (1943), p. 92

CHAPTER IV

A BLEND OF REALISM AND IDEALISM

THE POTENTIALITIES OF THE GREAT ALLIANCE

THROUGHOUT the period between the two wars, and since, supporters of internationalist ideals, whether of collective security through the League, of Federal Union, of a Charter of the Rights of Man, have been derided as "idealists" and "utopians". They have, to some extent, invited this criticism by attaching too little importance to the means by which to attain the desired end, and in particular to the vital importance of military and economic power. On the other hand, the "realists" have so disastrously failed with the "realism" of appeasement, non-intervention, return to pre-League neutrality, etc., that we find ourselves in the midst of a powerful swing-back to the derided ideals of collective security and international reorganisation now adopted by the leading statesmen of the United Nations. The paramount task therefore seems to start once again, neither with blue-print schemes too widely removed from the possibilities of the situation, nor with "realism" used as cloak for vested interests, mental inertia or political reaction.

The alliance of the United Nations, which sheer necessity has brought about, with four World Powers as its corner-stones, therefore might prove a nucleus of world reorganisation. Stark reality has brought it about and is forcing upon the partners a coordination and integration not only of their ideals, but of their strategy, production, transport and trade. The possibilities of its development contain the hopes as well as the problems of the world-wide international reorganisation. Ends and means are not too widely separated. The immense problems of organisation can only be overcome by a clear and powerful urge of common purpose and ideals, while the latter have to operate on a real and existing nucleus of world organisation and cannot run away with abstract paper solutions.

It is no exaggeration to say that, if alliance between the

United States of America, the Soviet Union, the British Empire and China can be made effective and permanent, many vital problems of international reorganisation will be near their solution. For all the obstacles and difficulties to such organisation exist in the relations of these partners. Geographically they are separated by wide distances, and only China and Russia have a common frontier. Their political systems differ widely. The U.S.S.R. is a federation, not based on parliamentary democracy. China is essentially autocratically governed, under a one-party system, like the U.S.S.R., but not on Socialist lines. The U.S.A. and Great Britain are Parliamentary democracies. The British Empire as a whole comprises all shades of government from autocracy to democracy.

Socially and economically the differences are no less great. Against the Socialist system of the Soviet Union, there is the as yet not clearly defined trend in China, which battles, with limited resources, against the difficulties of an invasion which has torn off the most important resources and industrial areas. Both the U.S.A. and Great Britain labour under the transition, from a semi-liberal and increasingly monopolistic capitalist system, to an alternative the direction of which is not yet clearly defined. Within all these countries, the medley of races of all kinds is immense. Nor is there the link of religion. While both the U.S.A. and Great Britain are counted among the "Christian" nations and adopt the Christian religion, though with many and different denominations, as the official faith, Soviet Russia has no official religion; her whole political system implies scepticism against the religious as distinct from the moral faith of Christianity. China's religious tradition is certainly not Christian, though some of her present leaders profess the Christian faith. In addition, recent political and economic relations between these countries have been full of tension, suspicion and even conflict. If, in spite of these formidable difficulties, this alliance can develop into a nucleus of international government, a new era of international relations would certainly be inaugurated.

The starting point of the alliance has been a negative one: a common danger and a common foe. This provides a certain, though essentially a negative, ideological link: a large measure of agreement on anti-Fascist principles; the condemnation of

aggression, brutality and tyranny ; and the fundamental faith in a free individual. Beyond this, little has as yet been achieved. The Atlantic Charter, and its general principles regarding collective security and the freedom of nations, were announced by two of the four Allies only, though Mr. Molotov, on behalf of the Soviet Union, later expressed agreement with its principles. There is, as yet, little indication of a common constructive programme embodying, in outline, the principles of political and social reorganisation.

As regards common organs of government, even the pressure of extreme emergency has not yet produced an Inter-Allied Cabinet or War Council. Political coordination depends on the regular contact of Ambassadors, supplemented by occasional visits of the leading statesmen¹ to one or the other of the Allies.

Allied strategy is only partially coordinated. The Inter-Allied Pacific War Council in Washington directs the war in the Pacific, while British and American strategy is now largely coordinated through a Combined Operations Staff and permanent missions maintained by both countries in the other. A unified command has been established for British, American and French Forces fighting in Africa. But between Anglo-American strategy and that of Russia and China there is little organic coordination. Nor has the coordination of propaganda gone beyond tentative beginnings, mainly because war aims and reconstruction programmes have not been worked out in concert or coordinated.

The most powerful move towards a "mix-up" lies in the application of the Lease-Lend principle to all Allies. It implies that, though the United States is, at present, the principal supplier, supplies are exchanged according to need and availability. More than that, President Roosevelt has specifically stated that need, not money, is the guiding principle and that supplies will not be considered as loans, with a resulting book debt, but as contribution to a common pool.²

¹ By March 1943 Mr Churchill had twice gone to America, once to Moscow ; Mr. Eden to Moscow and Washington ; Mr. Molotov to London ; and General Chiang Kai-shek to India. The President of the U.S.A. had sent a number of representatives to the Allied countries, among them Mr. Willkie, Mr. Harriman, Mr. Hopkins. President Roosevelt and Mr. Churchill, together with military advisers, had met in Casablanca.

² The implication is that repayment, if any, should be in goods and services (cf. Sumner Welles, October 9, 1942). But in October 1942 U.S. Senators strongly resisted

In this revolutionary measure there is the nucleus of an international control of vital commodities, administered, according to need, by an international authority.

It is clear that, on balance, the alliance of the United Nations is, as yet, far from being the nucleus of a revolution in international relations such as the dramatic proposal of Union between Britain and France, made by Mr. Churchill in June 1940, would have been. It is impossible to tell how far war necessities will overcome existing barriers.

After an Allied victory, the immediate measures of international policing will presumably mean a primary allocation of tasks and functions to each of the Great Powers in that part of the world in which, by situation and resources, they exercise predominance. From this there might possibly develop a combination of general and regional collective security in which, within the framework of a general pact, primary obligations will devolve on the regional group immediately concerned, while the other groups will stand by, with an obligation to assist and supplement the measures taken whenever necessary. It is possible that a similar development will occur in the organisation of economic life.¹ It is unlikely that the strong and world-wide tendency towards the formation of compact and relatively self-sufficient economic spaces (*Grossraumordnung*) will be quickly reversed. It is likely that the coordination of military and economic resources will move along parallel lines.

It is thus possible that the Great Alliance will develop into the nucleus of a world-wide organisation of security and international order within which a number of regional units will form closer links, legally, militarily, economically and culturally. In such an order, the *Grossraumordnungen* would not face each other

a proposal for cancellation of Lease-Lend Accounts between Great Britain and U.S.A. which considered the use of materials in the fight for a common cause as at least equivalent to a repayment in money or kind, while, in November 1942, Sir Patrick Hannon complained of the detrimental effect of Lend-Lease on British competitive capacity.

¹ The U.S. Proposals for a United Nations Relief and Rehabilitation Administration provide for a policy-making Council to which all participating governments send one representative; a managing Central Committee composed of the "Big Four"; and a Committee of Supplies representing the member governments likely to be the principal suppliers of materials. In addition, there are regional Committees formed by all governments directly concerned. This compromise between Great Power preponderance and equality principle seems reasonable for a Relief and Supply Organisation; but other international organisations might raise the problem in a sharper form.

as potential enemies but as potential allies. They would, on the contrary, through the extension of the multi-national idea, coupled with general international obligations and regional federation, contribute to the solution of one of the biggest problems, the inequality between the big and the small nation State.

REGIONAL ASSOCIATIONS

The analysis attempted in this book has throughout demonstrated the growing inadequacy of the national State as the limit of political, military and economic sovereignty. It is equally clear that the alternative of large-scale international organisation, to be both workable and desirable, must be balanced by a strong measure of decentralisation and regional association, within a wider international framework. As the history of the League of Nations and of the present world war has shown, a system of collective security must be world-wide to be effective. The organisation of peace can no more be localised than that of war. But it is equally certain that most disturbances will primarily affect certain groups of nations most directly concerned by interests, resources and geographical proximity. The practical solution will most likely be that of a combination of primary and auxiliary military obligations in case of aggression. This, in itself, involves appropriate regional understanding and organisation. This need is powerfully reinforced by political and economic exigencies. The lack of balance in military as well as economic power between a State like Germany and a number of small and largely mutually antagonistic States in Central, Eastern and South-Eastern Europe has proved disastrous to the latter. Compelled to sell their surplus produce to the most potent customers, they slid into economic vassalage, while unable, except in a powerful combination, to resist political and, eventually, military penetration. The analysis has also revealed the strength and extent of the formation of large, compact, regional units in which political cohesion and economic relations reinforce each other. All this points to the need for regional associations, large enough to absorb some of the export surpluses of its component States and to balance industrial and agricultural needs, and powerful enough to face a potential aggressor. The pacts

signed between Czechoslovakia and Poland (January 23, 1942) and between Greece and Yugoslavia (January 15, 1942) point in this direction. But, as a recent study of the problems of the States of Central, Eastern and South-Eastern Europe in their relation to Russia and Germany has shown,¹ this can only be a modest beginning towards closer association between the Southern Slav States on one hand and the Danubian States on the other, or even towards a federation of all the Central and South-East European States.

The situation of the Latin-American States is, in many respects, similar. Though the problem of their political status in relation to the U.S.A. is not nearly so acute as that of the relations between the smaller States of Europe and Germany, they, too, suffer from economic under-development, despite rich resources in water power and raw materials, coupled with a dependence on market crops which depresses the standard of living. The remedy is increasingly seen in regional development.²

This may, or may not, eventually result in regional federations. Regional associations are, however, like the *Grossraumordnung*, capable of being developed for different ends. Politically, they form an important and, probably, an indispensable stage in the redressing of the balance between big States and smaller States. Economically, they will make possible the development of energies and resources which lie unused, to the detriment of the people. But if they are conceived as the final and exclusive step in international integration, they will just represent a counter-move in the unending game of power politics, without, ultimately, removing either fear or want from mankind. If, on the other hand, regional groups are developed as more closely knit units, within a wider international organisation³ they can do much more than offset the preponderance of Big Powers. They can play a vital part in widening the exclusively national horizon, in economic planning, cultural relations and political allegiance. Indeed, without this process of education and mental change, reform and change by institu-

¹ Keeton and Schlesinger, *Russia and her Western Neighbours* (1942), pp. 127-42.

² Cf. Campbell in *Foreign Affairs*, October 1942.

³ As envisaged by President Beneš (*Rebuilding Europe*), Mr. Wallace (speech of December 28, 1942) and the Inter-American Juridical Committee (1943).

tions and constitutions will remain futile.

The frontier dispute which, in April 1943, flared up between the Soviet and Polish governments, may, like hundreds of other likely frontier problems, find a solution at a Peace Conference. But who can doubt that, once more, bitterness, resentment and a hope for revenge on one side will accompany satisfaction on the other, unless the statesmen and peoples of the world will, at last, cease to see in national state sovereignty the sole and highest expression of freedom. And this is possible only if the national State, big or small, will cease to be the predominant object of political allegiance, as it has already ceased to be the chief moving force in modern politics.

Consciousness both of the insufficiency of the national State as the sole object of political allegiance and of the need to balance the preponderance of the "Big Four" by associations of smaller States is clearly apparent in Mr. Churchill's great broadcast of March 21, 1943. "Under a world institution embodying or representing the United Nations, and some day all nations, there should come into being a Council of Europe and a Council of Asia. . . . Side by side with the Great Powers there should be a number of groupings of States or confederations which would express themselves through their own chosen representatives, the whole making a Council of great States and groups of States."

Of the alternatives to the national State — as analysed in this study — the imperialist solution alone is incompatible with humanitarian and democratic values. The ideals of collective security, of federal association, of an international charter for the individual, can and should reinforce each other, while the development of continental unions can be put to pacific and cosmopolitan as well as to imperialist use. Freed from their perpetual preoccupation with war, political prestige expressed in terms of military power, and all the burdens which this entails, the nations might then, at last, be able to concentrate their energies upon those aspects of national life which will enable peoples and individuals to "live out their lives in freedom from fear and want".

POSTSCRIPT

It has been the paramount object of this study to show the relativity of the national State, as an ideology, a political institution and a social order whose rise and decline is dependent on the changing conditions of society. These conditions, and with them the national State, are moulded by ideals, inventions, economic and social circumstances, classes and personalities, closely interwoven and reacting upon each other.

It would be fatal to repeat the illusion of so many acute critics of a declining social order and elevate the alternative to an absolute. The sufferings of the present generations may not have been wholly in vain if they will have taught us, among other things, not to hope for the millennium.

Given a firm choice of values and a clear grasp of the conditions within which the choice is possible, we may hope to substitute order for chaos, perhaps for a few generations, until new influences and conditions, the nature and extent of which we cannot foresee, force a new generation once more to adjust itself. To the present generation, Hegel's belief that the national State — in Prussian form — was the ultimate embodiment of the World Spirit, might well appear ridiculous. A future generation might, however, think similarly about any belief of our generation that international institutions devised today are any more permanent and eternal. Even if and when mankind agrees on the values by which to test political and social institutions — and it is far from having reached such agreement — the changing conditions of life and society will never cease to demand a re-adjustment of human institutions in the light of such values !

This study has stressed the need for a clear choice of values to guide international development ; but it has abstained from investigating the sources of such values. The source may be religious or ethical conviction. Christian thinkers have related the question of Nationalism and Internationalism to the Christian faith and purpose.¹ If international cooperation on a world-wide scale is to materialise, it is vital that no one faith should

¹ Cf. the writings of N. Berdjaev, R. Niebuhr, L. Curtius and Dr. Temple.

claim the monopoly of the key to political progress, but that Christian, Moslem, Jewish, Confucian and rationalist principles should find a common working basis. It is no less vital that even if political and social institutions are related to ultimate verities, no institution or organisation should, at any given time, be conceived as the final embodiment of such verities rather than as a phase in an unending endeavour, which must for ever meet the challenge of new needs and conditions.

INDEX

- Abbé, E., 46
 Abbé de St. Pierre, 116
 Abyssinia, 25, 117, 118
 Africa, 147
 Agadir Demonstration, 104, 105
 Albania, 39
 Alexandria, bombardment (1882), 48
 American Colonies, 6
 Angell, Sir N., 103
 Anglo-Saxons, 7
 d' Annunzio, 79
 Anti-Semitism, 83
 Apra movement, 58
 Arabs, 59, 161, 170
 Arbed, 95
 Argentine, 144
 Aris, R., 26
 Armenians, 39
 Arnold, Th., 96, 97
 Ashley, W. J., 23
 Assyrians, 39
 Atlantic Charter, 119, 175, 179, 180, 185
 Aulard, A., 23
 Australia, 69, 123, 149
 Austria, 38, 141
 Autarchy, 109-12
 Axis Pact, 115, 173
- Baghdad Railway, 28, 102, 104
 Balance of Power, 47, 48
 Balkans, 4, 6, 30, 55, 99, 130, 132, 140, 141, 160, 170, 187, 188
 Baltic States, 30
 Barker, E., 3, 5
 Barnato, Mr., 106
 Barrès, M., 79
 Basques, 170
 Batsell, W. R., 27, 128
 Beauchamps, J., 67
 Bech, J., 158
 Beit, Mr., 106
 Belgium (Belgians), 66, 132, 148, 154, 158, 171
 Benda, J., 78, 79, 80
 Benet, E., 159, 186
 Bentham, J., 22, 27
 Berdiaev, N., 190
 Bernhardi, General, 74
 Berthelot, Ph., 25
 Beveridge Report, 175
 Bill of Rights, 7
- Bismarck, 9, 27, 28, 74
 Bockhoff, 79
 Bodin, J., 8
 Boer War, 98, 106
 Bohemia, 30, 141
 Bolivia, 107, 128
 Borkenau, F., 70
 Boxer Revolt, 100
 Brailsford, N., 105
 Brandenburg, E., 28, 105
 Brazil, 54, 145
 Bretons, 4, 37, 134, 170
 British Commonwealth, 136-8, 150
 British Empire, 149-50, 184
 Broadcasting Convention (1936), 173, 176
 Bruck, E., 102
 Bryce, Lord, 24
 Buchan, J., 39
 Bulgaria, 38, 39, 132, 171
 Burckhardt, J., 47
 Butler, H., 161
 Butler, Rohan, D'O 9, 80
- Campbell, Mr., 59, 188
 Canada, 69, 123, 136, 144, 145, 149
 Carr, E. H., 3, 19, 34, 36, 39, 40, 45, 46, 61, 80, 87, 117, 119, 134, 142, 169, 181
 Catalans, 4, 37
 Catholicism, 6, 79
 Celts, 7
 Chamberlain, J., 106
 Chamberlin, H., 66
 Chiang Kai-shek, 58, 66, 185
 Chile, 54, 144
 China, 21, 25, 42, 57, 58, 59, 66, 99, 100, 101, 104, 120, 146, 153, 159, 184
 Christianity, 46, 184, 190, 191
 Churchill, W., 35, 70, 185, 186, 189
 Coates, Mr., 127
 Cobban, A., 182
 Cobden, R., 27
 Codes Napoléons, 168
 Colbert, 11, 12, 14, 15
 Cole, G. D. H., 34, 39, 41, 134, 142, 160, 169
 Columbia, 145
 Comintern, 65, 67
 Comité des Forges, 25
 Communist Manifest, 61
 Condliffe, J. B., 34, 179
 Confucianism, 191
 Congress of Vienna, 47, 162

- Copper Caral, 92
 Cossacks, 128, 129, 170
 Cunningham, W., 12
 Curtis, L., 34, 35, 136, 137, 150, 179, 190
 Czechs (Czechoslovakia), 4, 38, 39, 55, 115, 132, 154, 156, 157, 168, 171, 187
 Danes, 37
 Darlan, 75, 78
 Darré, 51
 Davies, Lord, 120
 Deak, F., 17
Déclaration des droits de l'homme, 23, 134
 Declaration of Independence, 7, 15, 134
 Delaisi, F., 95
 Dicey, A. V., 16, 36, 44
 Dobbs, M., 127
 Dominions, 149-50. *See also under Australia, etc.*
 Dostoevski, 6
 Drago Doctrine, 17
 Drucker, P., 87
 Dubois, P., 116
 Dutch (Netherlands), 7, 12, 13, 15, 42, 54, 55, 57, 132, 148, 155, 157, 158, 171
 Dutch East Indies, 94, 146
 Earle, Mr., 105
 East India Company, 12
 Economic Liberalism, 11, 14-18, 86
Economist, The, 69, 141
 Eden, A., 119, 185
 Egypt, 23, 101, 104
 Einzig, P., 142, 146
 Elliott, W., 109
 Engels, F., 10, 61, 69
 England, 6, 11, 15, 77, 126. *See also Great Britain*
 English Revolution (1688), 15, 16, 22
 Far Eastern Empire, 146-7
 Fascism, 50, 54, 55, 63, 65, 77, 81, 114-16, 153, 155-7, 169
 Fascism (Bulletin of International Transport Workers Federation), 52
 Fawcett, C. B., 138
 Federal Union, 120-24, 171, 174, 178
 Fels, H., 25, 104
 Feudalism, 19
 Fichte, J. G., 6, 8, 26, 27, 36, 79
 Finns, 4
 France, 4, 7, 11, 12, 13, 15, 20, 22, 23-6, 37, 44, 47, 48, 49, 54, 55, 57, 66, 72, 75, 77, 78, 90, 94, 95, 96, 140, 153, 155, 168
 Francis, St., 46
 Frank, H., 49
 Frederick II, Hohenstaufen, 5
 French Revolution, 7, 11, 15, 20, 22, 23, 51
 Friedmann, W., 44, 45, 64, 80, 173, 178
 Front Populaire, 75
 Funk, W., 141
 Gandhi, 58
 Garibaldi, 26
 de Gaulle, 155
 Geopolitik, 111, 138
 Gerbrandy, P., 157, 158
German New Order in Poland (Polish Government Publication), 48, 153
 Germany, 4, 6, 8, 9, 11, 13, 17, 20, 21, 26-9, 30, 37, 38, 39, 40, 45, 47, 48, 55, 57, 65, 72, 74, 77, 78, 81, 82, 90, 94, 95, 96, 97, 99, 102, 105, 109, 111, 112, 115, 118, 131, 140, 141, 142, 148, 156, 174, 177
 Gestapo, 155, 156
 Gettysburg Speech, 7
 Gioberti, V., 79
 Giraud, Gen., 75
 Goering, H., 49
 Gordon, L., 177
 Great Britain, 4, 15, 17, 20, 22, 37, 40, 42, 44, 47, 54, 57, 68, 69, 72, 73, 90, 99, 109, 110, 125, 130, 139, 149, 150, 153, 154, 159, 168, 174, 177, 184
 Greaves, H. R. G., 92, 94
 Greeks (Greece), 30, 39, 45, 107, 132, 159, 171, 187
 Grey, Sir E., 90
Grossraumordnung, 56, 103, 111, 115, 138-151, 175, 186
 Grotius, H., 116
 Grotius Society, 34
 Habsburg Empire, 30, 45, 47, 85, 139
 Hadir, 95
 Hague Peace Conference, 17, 33
 Hallé, F., 127
 Hanighen, F., 95
 Hankey, Lord, 138
 Hannon, Sir P., 186
 Harms, 43, 44
 Harriman, A., 185
 Haushofer, K., 56, 138
 Hawtrey, Mr., 86
 Hayek, F. von, 122
 Heckscher, Prof., 11, 12, 13
 Hegel, G. F., 2, 8, 27, 36, 50, 60, 61, 62, 79, 190
 Helfferich, K., 88
 Henry IV of France, 116
 Herder, G., 8, 46
 Hilferding, F., 99

- Hitler, A., 50, 51, 52, 53, 55, 74, 83, 115,
 155, 168, 169
Hitler Youth, Handbook for, 53, 156
 Hoare, Sir S., 175
 Hobbes, Th., 8
 Hobson, J. A., 71, 98, 99, 103, 104, 115
Homo oeconomicus, 87, 88, 97
 Hongkong, 150
 Honjo, 29
 Hopkins, H., 185
 Hull, C., 35, 120
 Humboldt, F. W., 8
 Hume, D., 14
 Hungary, 21, 30, 38, 39, 45, 132, 139, 157,
 160, 171
 Hus, J., 7
 I. G. Farben Trust, 52, 96, 103
 Imperialism, 47-56, 91-8
 India (Indians), 21, 23, 57, 59, 67, 69, 99,
 101, 120, 137, 149, 161, 178
 Indian Congress, 58, 67
 Industrial Revolution, 22, 43
 Inter-American Bank, 144
 Inter-American Juridical Committee, 151,
 188
 International Clearing Union, 34, 178
 International Labour Organisation, 33, 67,
 121, 173, 177
 International Law, 6, 17, 32, 33, 47, 56, 77,
 104, 118, 135, 173
 International Public Corporation. *See*
 Public Corporation
 Intransigent, 24
 Iraq, 39
 Ireland, 37, 137
 Italian Labour Charter, 62, 64
 Italy, 4, 6, 13, 17, 20, 21, 26, 39, 45, 57, 81,
 82, 90, 94, 102, 105, 109, 118, 153, 173,
 174
 Japan, 20, 21, 29, 30, 57, 68, 90, 94, 100,
 102, 103, 111, 118, 146-7, 173
 Jellinek, G., 33, 134, 135
 Jenks, W., 34
 Jennings, W. I., 77, 120
 Jessup, P. C., 17
 Jesus, 46
 Jewish State, 132
 Jews, 39, 59, 129, 132, 170, 191
 Jones, J. W., 8
 Justices of the Peace, 11
 Kant, I., 116
 Keeton, G. W., 29, 30, 136, 137, 157, 188
 Keitel, Gen., 74
 Keith, B., 123, 125
 Kelsen, H., 78, 118
 Keynes Plan, 178
 Kipling, R., 79
 Kjellén, 138
 Kohn, H., 127
 Kuomintang, 127
 Kurusov, 6
Laissez-faire, 11, 14-18, 22, 107
 Langer, H., 105
 Laski, H. J., 5, 34, 40, 62, 161
 Latin-America, 57, 59, 99, 100, 101, 144-6,
 188
 Lauterpacht, H., 118, 144
 Laval, P., 25, 94
 Lawley, Mr., 44, 92, 93
 Lawson, Adm., 121
 League of Nations, 33, 48, 62, 67, 80, 94,
 101, 116-20, 121, 159, 171, 172, 183
 Lease-Lend, 185, 186
 Lenin, 60, 71, 91, 94, 99
 Lévy, L., 75
 Lewinsohn, R., 25
 Lilienthal, J. E., 177
 Lincoln, A., 7
 List, Fr., 27
 Lithuania, 30
 Littlepage, Mr., 127, 128
 Lloyd George, 28
 Locke, J., 22, 23
 Loewe, Dr., 87, 89
 Lothian, Lord, 34
 Luxemburg, 95, 141, 158
 Macartney, C. A., 4, 38, 39, 40, 125, 133
 MacIver, R. M., 3, 7, 36, 112
 Magyars, 30
 Maniu, 30
 Mannesmann Concessions, 105
 Marquis, R. H., 177
 Marriott, Sir J. A. R., 35, 41
 Marx, K., 10, 36, 61, 63, 69
 Marxism, 60-70, 71, 80, 86, 91, 98, 107
 Matsuoka, 103
 Maurras, 79
 Maynard, Sir J., 85, 126, 127, 129, 130, 131,
 132
 Mazzini, 26, 27, 46, 79
 Meiji Restoration, 29, 102
 Meinecke, F., 9
 Menzies, Mr., 123
 Mercantilism, 11-14
 Mexico, 58, 101, 144, 145
 Middle East, 1, 59, 99
 Mihailovic, 155
 Mill, J. St., 22
 Mises, L., 45, 46
 Mitsui Concern, 96

- Molotov, 185
 Moltke, H. von, 74
 Mommsen, 79
 Monroe Doctrine, 56, 100, 144
 Moravia, 30, 141
 Moslem, 191
 Mueller, A., 27
 Mueller, Reichsbischof, 79
 Muir, R., 5, 6
 Mussolini, 114, 115

 Napoleon, 6, 168
 National Socialism, 27, 53, 62, 64, 74
 Nationalism (Group Study, Royal Institute of International Affairs), 5, 22, 30, 39, 40, 45, 50, 63, 67, 73, 76, 80, 84, 87, 89, 133, 157
 Natural Law, 32
 Naumann, F., 111, 139
 Nazi Empire, 52-6, 140-43, 156
 Nehru, 58, 67
 Neo-Hegelians, 62
 Netherlands. *See under* Dutch
 Neumann, F., 55, 56, 138
 Neutrality Act (1937), 101, 106, 107
 New Commonwealth Society, 116
 New Deal, 17, 77, 123
New Statesman and Nation, 155
New York Times, 97, 98
 New Zealand, 149
News Chronicle, 59
 Niebuhr, R., 190
 Nietzsche, Fr., 80
 Nintchitch, M., 158
 Norman, F., 29
 Norman Kings, 6, 7
 Norway (Norwegians), 54, 66, 82, 132, 154, 159, 168
 Novalis, F., 8, 62
 Nuri Said, 59
 Nygaardsvold, J., 159

 Ogg, Mr., 90
 Oil Cartel, 92
 Oppenheim, L., 118, 144
 Ordensburgen, 52, 155
 Owen, R., 46

 Pacific War Council, 185
 Padillo, 35
 Palestine, 59, 170
 Pan-American Union, 144-6
 Pan-Slavism, 54
 Paraguay, 107
 Peace Treaties (1919), 4, 6, 21, 37, 40, 41, 47
 Penn, W., 116

 Péret, 25
 Peru, 58, 101, 144, 145
 Pétain, 66, 75, 78
 Pierlot, H., 158
 Podiebrad, 116
 Poland (Poles), 4, 6, 21, 30, 37, 38, 39, 40, 47, 55, 132, 141, 154, 156, 157, 160, 168, 171, 187, 188
 Polish Declaration of Rights, 135
 Poor Law, 11
 Portugal, 12
 Poznanski, C., 160
 Privy Council, 123, 136
 Protestants, 6, 21
 Prussia, 27
 Public Corporations, 177-8

 Quisling, 66

 Radbruch, G., 36
 Radic, 27
 Rathenau, W., 88
 Ratzel, F., 138
 Rauschnig, H., 50, 51, 52, 53, 115, 116, 155
Rechtsstaat, 77, 135
 Renaissance, 10
Renaissance (Journal of Internationaler Sozialistischer Kampfbund), 95
 Renan, E., 7, 54
 Renner, K., 88
 Rhodes, C., 88, 106
 Ricardo, 27
 Rights of Man, 129, 134-5, 174
 River Plate Conference, 59
 Robbins, L., 2, 99, 104, 105, 108
 Robson, W., 177
 Rogge, H., 110
 Roosevelt, F. D., 16, 70, 117, 120, 144, 181, 185
 Rosenberg, A., 49
 Roumania, 30, 38, 132, 141, 171
 Round Table Movement, 136
 Rousseau, J. J., 27
 Rouvier, 25
 Royal Institute of International Affairs, 111, 141, 146, 149. *See also* Nationalism
 Rubber Cartel, 93
 Russell, B., 43, 87
 Russia. *See* Soviet Union and Tsarist Russia

 Sankey, Lord, 135
 Scandinavia, 155, 171
 Schacht, H., 95
 Schiller, F., 26
 Schlesinger, R., 30, 157
 Schlieffen, von, 73

- Schmitt, C., 56, 63, 79
 Schneider, 80
 Schueckling, W., 116
 Schuman, Fr., 24, 25, 26, 90
 Schuster, Sir C., 137
 Schwarzenberger, G., 5, 120, 125, 137
 Scots, 4, 6, 7, 8, 37, 126
 Second International, 65, 67
 Sedan, battle of, 7
 Serbs, 38, 39, 63, 132, 154, 156
 Shakespeare, 6
 Sikorski, Gen., 171
 Silesia, 40
 Simon, Lord, 35, 142, 180
 Slavs, 39, 55, 170
 Slovaks, 154
 Slovenes, 39
 Smith, Adam, 14, 27
 Social Contract, 8
 Socialism, 62, 64, 84
 Sombart, W., 111
 South African Union, 137
 South Manchurian Railway, 103
 Soviet Union, 6, 40, 41, 42, 54, 62, 65, 66,
 73, 84, 85, 111, 120, 124, 125, 126-34,
 141, 143, 148, 159, 160, 168, 170, 173,
 174, 177, 178, 180, 181, 184, 185
 Spain (Spaniards), 6, 12, 37, 44, 57, 68
 Spanish Civil War, 58, 65, 68, 174
 Spencer, H., 22
 Spranger, E., 87
 SS. Guard, 52, 55, 155, 156
 Staley, E., 90, 92, 93, 100, 101, 105, 106
 Stalin, 10, 60, 67, 70, 71, 128, 129, 142
 Standard Oil Company of New Jersey, 96,
 97
 Standstill Agreements, 95, 97
 Statute of Artificers, 11
 Statute of Monopolies, 12
 Steel Cartel, 93
 Stone, J., 80
 Streit, Cl., 120, 121
 Stuarts, 22
Sunday Times, 157
 Swedes, 54, 154

 Taft, President, 90
 Tardieu, A., 25
 Tawney, H. R., 34, 87
 Tea Cartel, 93
 Temple, W., 190
 Third International, 65, 67
 Tiers État, 22
Times, The, 42, 49, 50, 55, 96, 109, 123, 145
 151, 153, 169, 175, 176, 177, 188
 Tin Cartel, 93
 Torr, D., 67

 Trade Unions, 16, 63, 64, 69, 177
 Treaty of Paris (1856), 47
 Treaty of Versailles (1871), 47
 Treitschke, H. von, 8, 49, 79
 Trevelyan, G. M., 22, 37
 Tsarist Russia, 25, 30, 47, 63, 127, 132, 139
 Tsouderos, E., 159
 Tudors, 11, 21, 27
 Tunisia, 25
 Turkish Empire, 30, 45, 85
 Turks (Turkey), 39, 101, 107, 141

 Uhland, L., 26
 Ukrainians, 39, 127, 129, 141, 154
 United Nations, 120, 183-7
 United Nations Relief and Rehabilitation
 Administration, 42, 186
 United States, 15, 16, 20, 23, 41, 42, 54, 69,
 77, 90, 94, 96, 97, 99, 100, 106, 107, 109,
 111, 118, 123, 126, 130, 134, 139, 144,
 145, 148, 159, 172, 177, 178, 184, 185
 United States of Europe, 158
 U.S.S.R. *See* Soviet Union
 Utilitarianism, 14

 Vansittart, Lord, 70
 Vargas, President, 59
 Vattel, 30
 Venezuela, 17, 100, 104
 Vichy Government, 75, 78, 82
 Vinogradoff, P., 3

 Wallace, H., 188
 Webb, S. and B., 125, 127, 133, 134
 Weber, A., 48, 139, 140
 Weber, M., 1, 19, 36
 Weimar Republic, 64, 72, 73, 74, 77, 84,
 134
 Welles, Sumner, 120, 185
 Wells, H. G., 135
 Welsh, 7, 8, 37, 126, 134, 170
 West Indies, 150
 Weygand, 75
 Whigs, 22
 William II, 18
 Willkie, W., 1, 185
 Wilson, Woodrow, 172
 Wootton, B., 122
 World War I, 33, 81, 86, 106, 108
 World War II, 136, 160, 183-7
 Wright, Q., 173

 Young, Sir G., 120, 123
 Yugoslavia, 38, 39, 153, 154, 158, 171, 187

 Zimmermann, A., 117, 121
 Zollverein, 11

Printed in Great Britain by R & R CLARK, LIMITED, Edinburgh.

